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The Michigan Intermediate School District Superintendent: A Unique Job Role

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THE MICHIGAN INTERMEDIATE SCHOOL DISTRICT SUPERINTENDENT:
A UNIQUE JOB ROLE

by

Lanny Ray Johnston

A Project Report
submitted to the
Faculty of The Graduate College
in partial fulfillment of the
requirements for the
Degree of Specialist in Education
Department of Educational Leadership

Western Michigan University
Kalamazoo, Michigan
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THE MICHIGAN INTERMEDIATE SCHOOL DISTRICT SUPERINTENDENT:
A UNIQUE JOB ROLE

Lanny Ray Johnston, Ed.S.

Western Michigan University, 1986

One of the job roles in Michigan's system of public education is that of the Intermediate School District Superintendent. However, the definition of this job role and the skills required to function in it are unclear for those striving to attain an intermediate school district superintendency. This lack of clarity in the areas of interpersonal, conceptual, and technical skills, makes career planning difficult. In an effort to improve this situation, this intern elected to investigate the role of the intermediate superintendent as a public school, high management/leadership/administrative position.

The outcome of this investigation includes: (a) a clearer perspective of the position, (b) an awareness of some of the job-skills needed, (c) a means through which personal job-skills and talents can be accurately matched with those required, and (d) a personal understanding of the many different activities that are routinely a part of the superintendent's position.

This investigation has, ultimately, encouraged rational employment decision-making relative to this intern's future.

ACKNOWLEDGEMENTS

This Internship Project Report is dedicated to those people and organizations that have contributed to its completion. Specifically, that recognition is directed to my wife Barbara Johnston, Superintendent Stephen Hayden, Superintendent Roland Marmion, Superintendent Michael Bitar, Dewain Watson, the Eaton County Intermediate School District Schoolboard, and my Specialist Degree committee chairperson, Dr. Ken Dickie. Dr. Jack Humbert of Western Michigan University has also been very instrumental in the direction my graduate education has taken and should be individually recognized. Without the assistance, patience, and understanding of these people, the completion of this report and internship would have been severely limited in its accuracy, completeness, and final typed form.

Lanny Ray Johnston

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CHAPTER I

INTRODUCTION

This chapter provides the reader with information describing the purpose of this study and the format through which it was conducted.

The purpose of this Internship Project was to identify those interpersonal, conceptual, and technical skills and activities that are common and routine as they apply to the role of an intermediate school district superintendent. The selection of the intermediate school district superintendent as the position to study was based on the following reasons: (a) the level at which this leader functions within the educational hierarchy of the State of Michigan; (b) the diverse duties and responsibilities placed on this job role by the State of Michigan, intermediate school district schoolboards; and local communities within the district; and (c) the involvement of this position with the three major components of Michigan's educational system at the K-12 level, i.e., General Education, Special Education, and Vocational Education.

This Internship Project was completed in the Eaton County Intermediate School District office, under the

direction of its chief administrator, Superintendent Stephen Hayden. The intern was provided the opportunity to participate in a wide variety of experiences, discussions, and in-house projects. Included in these were area-wide meetings of local school and intermediate school district superintendents; local negotiation and master contract interpretation meetings; personal contact with Michigan's Superintendent of Public Education, Dr. Philip Runkel; and local schoolboard meetings. In addition to these activities, frequent discussions were held with Mr. Hayden to clarify the interpersonal, conceptual, and technical skill areas and activities that are primary to the role of the intermediate school district superintendent.

The Internship focused on the identification of these common skill areas and the routine and on-going managerial activities relative to the educational job role identified as intermediate school district superintendent. Specific discussion of these skill areas and activities was undertaken using four major areas that are recognized by Superintendent Hayden as constant and paramount to the job role of the Michigan intermediate school district superintendent. These areas are: (a) personnel, (b) legislative and professional involvement, (c) school budget and finance, and (d) cooperation with local school superintendents within the intermediate

school district. Each of these areas will be addressed in separate chapters of this report.

Prior to the discussion of these skill and activity areas, the reader will be provided supportive background information describing the educational hierarchy of Michigan, the organization of the Eaton Intermediate School District, and the operational beliefs of Eaton Intermediate School District.

The information provided here has been drawn from the internship experience, interaction with two local school district superintendents, and the experiences of this intern as an educational administrator. Therefore, the reader should be aware of certain limitations associated with this study. These limitations include: (a) the amount of time (240 hours) given to the internship was insufficient to do an exhaustive study of the skills required of an intermediate school district superintendent, and (b) the skills and activities identified by this intern reflect what has been learned through working with one intermediate school district superintendent. As a result, the reader will find it difficult to generalize these findings to all intermediate district settings.

Appended to this document are a variety of related support materials. These materials provide clarification and detailed support information.

CHAPTER II

BACKGROUND INFORMATION

The purpose of this chapter is to provide the reader with relevant background information describing; (a) the educational hierarchy of Michigan, (b) the organization of the Eaton Intermediate School District, and (c) the operational beliefs of the Eaton Intermediate School District.

The following graphic (Figure 1) describes the relationship of the various levels within Michigan's educational hierarchy. As the reader reviews this graphic, he/she will see a distinct progression of responsibility moving up and down the hierarchy. Figure 1 will also allow the reader to gain a sense of position for the Michigan intermediate school district and the intermediate school district superintendent. In the discussion which follows, each of the levels described in Figure 1, and their relationship to adjacent levels, will be presented.

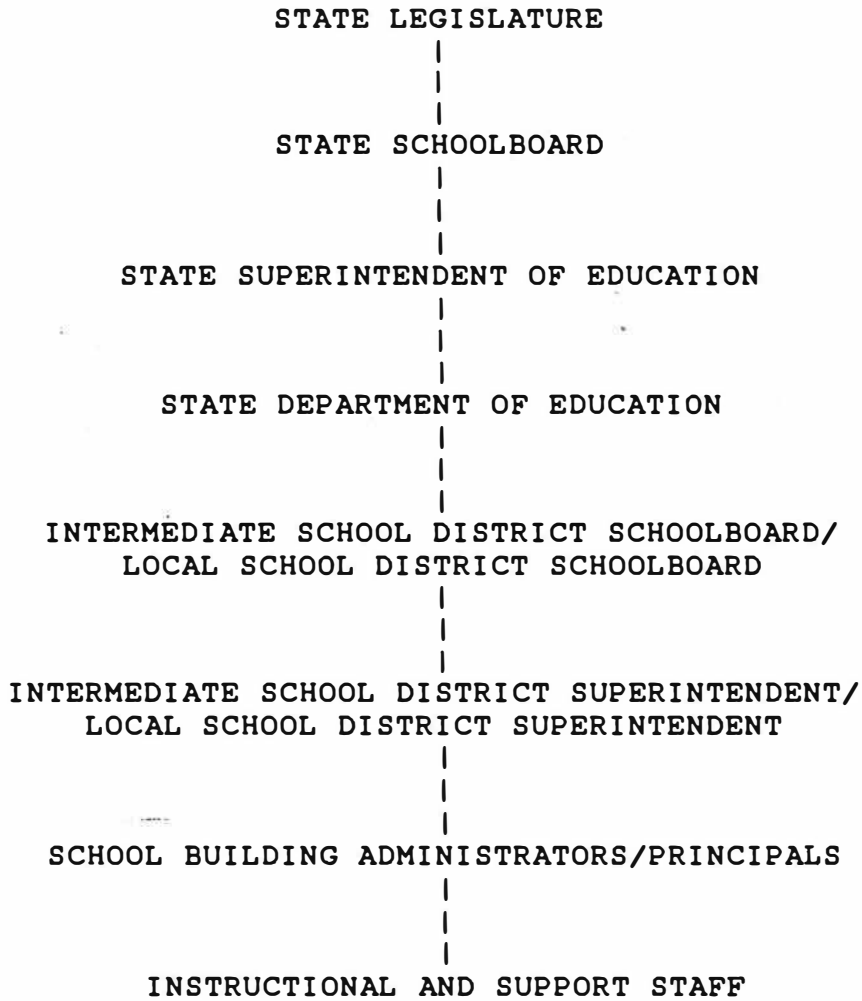


Figure 1. Michigan's Educational Hierarchy

Educational Hierarchy of Michigan - an Explanation

Michigan Legislature

Michigan has an educational hierarchy that begins with its constitutional law-making body, the Michigan Legislature. It is within this body that the financial responsibilities lie for the budgetary allotments directed toward all of the educational efforts in this state. The Michigan Legislature is also the legal body that writes and enacts those statutes which impact or direct education in Michigan. This same body, however, does not implement any of those statutes or budgetary amounts that have been set.

State Board of Education

Based on its position in the hierarchy, the primary function of the State Board of Education is to formulate major educational policies that impact the total population of the state. The work and involvement of this board is critical to the ultimate direction of the educational effort in the state. The decisions made by this board must be sensitive to the needs of the major components of Michigan's educational delivery system (General, Special, and Vocational Education) as they relate to public and private schools.

In spite of its impact on the policies by which

education in Michigan will be delivered, this board is not a legal law-making body. It can only make policy and provide leadership and direction.

State Superintendent of Education

The person in this position is the facilitator for the State Board of Education. It is through this position that the State Board of Education sees its policies take form, and implementation take place. The State Superintendent serves as head of the Michigan Department of Education and oversees its many departments. It is at this level that Michigan's total budget for education is formulated and recommended to the State Board of Education and to the State Legislature for final acceptance. Decisions regarding the direction of education in this state come from this office.

From this office, through the Michigan Department of Education, come the directions, ideas, and projects that enable educational leaders at the local and intermediate school district levels to implement effective and meaningful programs. The ability to foresee, predict, and anticipate the educational needs of the entire population within the state are important responsibilities of this office. This office must administer the educational services in Michigan in a manner consistent with the policies prepared by the State Board of Education, the

statutes set forth through the State Legislature, and the dictates of the state and federal constitutions.

Intermediate School District Schoolboard

The primary function of the intermediate school district schoolboard is to provide policy and direction which will facilitate leadership and the delivery of educational services not otherwise provided the student population by the constituent districts.

In reality, and by intent of the Michigan Department of Education, the intermediate school district schoolboard is one step above the local school district schoolboard in the hierarchical structure. However, this board has minimal impact on the local district schoolboards, i.e., the direction they take and the leadership they provide. Based on its purpose and design, the intermediate school district schoolboard is primarily interested in a cooperative and helping relationship with its constituent local school districts, rather than a pure leadership role that demands reaction and implementation to its policies.

This board has four mandates given to it by Michigan's Department of Education: (a) it must hire a superintendent to supervise and implement its policies, (b) it must hire a Special Education Director who supervises and directs the activities within this discipline and is

directly responsible to the intermediate school district superintendent, (c) provide whatever Special Education Services are not being provided by its constituent local school districts on a charge-back basis, and (d) maintain an accurate and current recordkeeping service describing personnel, property, and finance for each constituent local school district.

Intermediate School District Superintendent

The role of this office is to supervise and implement the policies of the intermediate school district schoolboard. The office of the intermediate school district superintendent generally has the responsibility of formulating budget, recommendations for personnel increase and decrease, monitoring specific state mandated educational policies and statutes, and other related leadership/management/administration activities that may be expected by its schoolboard. The person in this office is expected to have a comprehensive understanding of the total educational program and interrelatedness of the constituent districts delivering the appropriate educational programs. This is necessary if balanced, equitable, and supportive leadership is to be provided for the entire intermediate school district.

Local School District Schoolboard

The purpose of this board is basically the same as that of the intermediate school district schoolboard except that its direct responsibility is to its own learner population and property owners. It, like the intermediate schoolboard, is the lone hiring and firing agent within the local school district. The schoolboard, whether it be the intermediate school district or local school district, is an elected agent of the state.

Local School District Superintendent

The role of the local school district superintendent is similar to that of the intermediate school district superintendent. A difference can be found in the scope and breadth of the total responsibility. The local school superintendent is only responsible for the educational programs within his/her district. This is only one unit within the total intermediate district. All of the major areas of concern related to General Education, Special Education, Vocational Education, and utilizing the available resources and manpower to provide the best possible education for all of the constituent learners are much the same. Whereas, the intermediate school district superintendent is responsible for coordination of the educational programs of all local school districts within the boundaries of the intermediate district.

Keeping the total staff and local community informed and aware of what has happened, what is happening, and what is planned to happen is one of the major responsibilities of this office. Another important function of this office is to be available to its schoolboard and general public at all times. The importance of adopting this position can be seen in the results of a recent educational survey. Don Elliott, at a November, 1984 meeting of Michigan superintendents, referred to an Ohio State University survey of over 2000 school superintendents which indicated that among the most important challenges of the school superintendent today was the working relationship between the schoolboard and its superintendent.

As Don Elliott, Executive Director of the Michigan Association of School Administrators, stated recently at a meeting of Michigan superintendents, relative to handling school district problems: "The schoolboard and the superintendent must be willing to work together toward resolutions," and "each party can provide a different outlook as to what the problems are and the possible options available to correct them." (Elliott, Note 1) This, then, encourages each school superintendent to know each member of the schoolboard individually, know the board collectively, maintain a constant level of open communication, and be involved with the local community

as much as possible. And finally, each superintendent should also provide continual encouragement and opportunity for the local community to become involved in the activities and directions of the schools.

Building Administrators/Principals

It is the primary function of this level to provide educational leadership in the areas of instructional delivery, instructional and/or program management, student discipline, student attendance, student and school recordkeeping, as well as physical plant supervision, operation, and maintenance. In some cases, this office will have budgetary and public relations responsibilities as well. In most cases, this office reports to the superintendent, or the assistant as designated.

Instructional and Support Staff

This level includes the teachers, consultants, bus drivers, social workers, school nurses, maintenance personnel, librarians, media developers, secretaries, etc. Each of the positions identified here are important to the student learner. Every person involved has a unique and valuable contribution to offer each student learner who passes through Michigan's educational system.

Michigan's educational system is committed to providing an equal opportunity for quality education to

every eligible Michigan learner. In so doing, it is also committed to assisting each student learner to benefit in ways that allow the learner to develop intellectually, emotionally, physically, and socially. The fulfillment of this commitment is more than one particular educational delivery unit (General, Special, or Vocational Education) can accomplish. It is this belief by Michigan's educational leaders that strengthens the need for, and the acceptance of, a wide variety of people who are directly involved with the learner.

The hierarchical structure of the educational delivery system in Michigan is clear. But, as can be seen in Figure 1, there are many levels of people and responsibilities involved. The interaction, cooperation, and role definition is critical to effective implementation of the task at hand--providing a complete and effective educational system in each of Michigan's public and private school districts.

Figure 2 provides the reader with a description of the hierarchical structure of Eaton Intermediate School District. Following Figure 2 is an explanation of each level within the hierarchy, and its relationship to adjacent levels. This information provides understanding of the interrelatedness of levels within the operation of this particular intermediate school district.

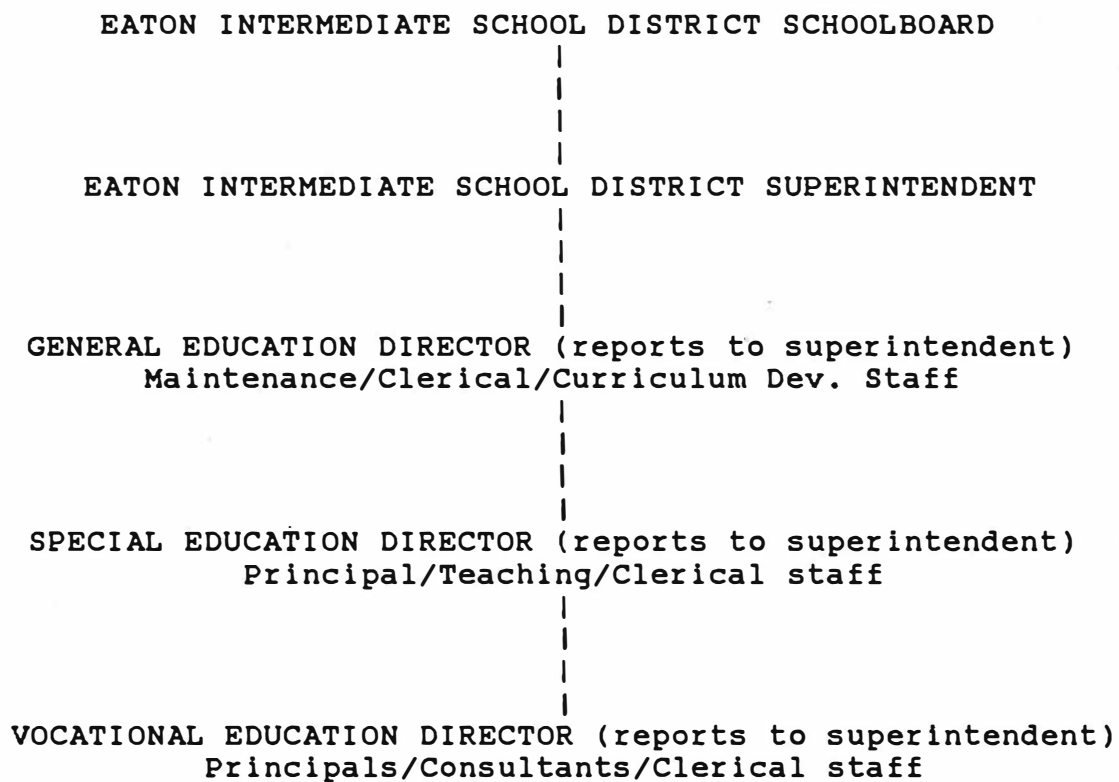


Figure 2. Eaton Intermediate School District Hierarchal Structure

Eaton Intermediate School District
Structural Hierarchy - an Explanation

Eaton Intermediate Schoolboard

The Eaton Intermediate Schoolboard is like other intermediate schoolboards. Its primary function is to provide policy and direction through which educational services not otherwise provided within the intermediate district can be offered. This board is responsible for the delivery of services for a much broader population base than is the local school district schoolboard. As a result, its approach to delivering those services will focus on a cooperation between all school districts within the entire intermediate school district.

Eaton Intermediate School District Superintendent

As explained earlier, Superintendent Hayden is expected to supervise and implement the policies of the intermediate schoolboard. He also has the sole responsibility for: (a) formulating, implementing, and monitoring the budget; (b) being the liaison for the intermediate school district between the Michigan Department of Education, Department of Labor, Michigan Legislature, and Eaton Intermediate School District Schoolboard; and (c) acts as the major initiator of local public relations efforts. The expertise of this person must be broad and comprehensive if he/she is to be an effective leader.

Educational Directors (General, Special, Vocational)

These positions each report directly to the superintendent. Their levels of responsibility are similar as they pertain to personnel and budget. Each receives his/her direction from the superintendent and coordinates their activities within the direction provided by the superintendent. In the Eaton Intermediate School District, these directors, and the programs they direct, are key components of the educational delivery system.

Even though the importance of these three components is viewed as equal within the district, the size of the budget and staffing for each varies greatly. These differences result from two factors. First, initiative of the person in charge; and second, the amount of emphasis or level of priority given a particular component by the intermediate superintendent and/or intermediate schoolboard. Regardless of the differences in the size of the budget or the number of staff, each of these educational components must operate successfully if the intermediate school district is to meet the demands of the student population. Each director is expected to be aware of any similar and/or overlapping efforts being addressed by each constituent local school district. This awareness will help eliminate duplication of educational services, expenditures, etc. Elimination of duplication increases efficiency and effectiveness.

As seen in Figure 2, Eaton Intermediate School District has a small structural hierarchy. Contributing to this are its geographic size, its student population, and number of local school districts. However, regardless of its size, Eaton Intermediate School District has the same basic responsibilities as any other intermediate school district in Michigan, i.e., to provide those services that are not, and/or cannot, be provided by the local school districts for their students, and be a supporting service agency to each local school district. It is for these reasons that the Eaton Intermediate School District structure includes a director for each of Michigan's major delivery components (General, Special, Vocational Education), instructional staff, consultants, and other support personnel, as well as a superintendent and schoolboard to set policy and administer its operation.

Operational Beliefs of Eaton Intermediate School District

A third area of background information covered in this chapter is the operational beliefs and policies of Eaton Intermediate School District. Reviewing the operational beliefs of this intermediate school district will provide the reader with a point of reference for the discussion of the interpersonal, conceptual, and technical skills utilized by the Eaton Intermediate School

District Superintendent. This discussion will place the common and routine activities in proper perspective. Subsequent chapters will address these issues directly.

The following are basic operational beliefs that influence the operation of the Eaton Intermediate School District:

The primary role of the intermediate school district is to provide those services to students not otherwise provided by the local school districts within Eaton County.

Superintendent Hayden and his board believe that, because of the four mandates given the intermediate school districts in Michigan by the Michigan Department of Education, and previously cited in this document, its primary role is providing those services to students not otherwise provided by the local school districts within Eaton County. Among the many services seen as not being mandated to the intermediate school district, but also being needed in Eaton County, are programs for the talented and gifted, Vocational Education services and support, media services and storage, reading and math consultant support, public relations support, centralized data processing input/storage/output dissemination, and some cooperative community development projects that will benefit the entire educational delivery in Eaton County.

The intermediate schoolboard and the superintendent must work together as a team.

The role of the intermediate school district su-

perintendent is, as previously mentioned, to supervise and implement the policies of the schoolboard. To do this, the basic operational beliefs of the intermediate school district, and the beliefs of the intermediate superintendent, must be in concert. The policies of the board cannot be implemented without a high level of understanding and trust between the board and the superintendent. Two-way communication is essential to accomplish this.

The Eaton Intermediate Schoolboard and its Superintendent, Mr. Stephen Hayden, have developed a strong working relationship. This relationship is based on a clear understanding of what is expected; what will be done in specific situations and why; what their respective roles within Eaton Intermediate School District are; and the trust that neither will put the other in a situation that would negatively impact students, staff, administration, or the image of the intermediate school district. This relationship results from a strong commitment to work as a team.

The intermediate school district's customer is the constituent local school district, not the individual student.

Eaton Intermediate School District also has an operational belief that its customer is the local school district and not the student body. The belief here is that, because of the nature of its business, it is more

directly in touch with the local school district as a benefactor of the support and services it provides than it is with any particular student body. The intermediate school district provides its support and services to the local school district at the request and agreement of that local school district. As a result, any contact or direct attention to students is a secondary activity that is not generally self-initiated. This belief generates and encourages a cooperative working relationship.

The superintendent must understand Michigan's School Code and operate within it at all times.

It is also believed by this particular intermediate superintendent that most superintendents who are asked, or encouraged, to leave their jobs, do so because they are weak in their ability to follow Michigan's defined School Code, or are unable to develop acceptable financial operating and recordkeeping procedures. Michigan's School Code is a prepared document which interprets the laws that determine what is acceptable operating procedure in Michigan's educational systems. As a result, this superintendent spends a great deal of time polishing and implementing his expertise in both of these areas (finance and recordkeeping). Within the Eaton County Intermediate School District Superintendent's office, budget and finance are areas of strength and high level expertise. It is not uncommon for the Eaton County constituent district superintendents to request assis-

tance and direction on topics of confusion related to Michigan's State Aid Act. Michigan's State Aid Act will be discussed in a later chapter as it relates to educational budget and finance.

Each Eaton Intermediate employee will be employed as long as he/she desires, and this intermediate has a position available that can utilize that employee's certification/state qualifications for the training and education of students.

In the area of personnel, there is one overriding belief that exists at Eaton Intermediate School District. That belief is to guarantee every employee as much job security within this intermediate school district as is legally, morally, and professionally possible. To do that, this particular schoolboard and superintendent agree that one of their prime tasks is to always look for every possible reason and opportunity to keep existing staff in their employment.

At times of staff lay-off or program cutback, this intermediate schoolboard and superintendent will do whatever they can to reassign the affected staff to another area for which he/she may be qualified. The belief is that if the person was an acceptable person at the time of hire, and nothing significant has happened to alter that person's status, then it is the responsibility of the intermediate school district to find a way to keep that person employed. There is little question as to the concern this intermediate school district has for its

employees, and the obligation it feels toward these people. This is easy to perceive when one discusses this topic of personal job security with anyone on the staff of Eaton Intermediate School District.

Each director within this system will be responsible for formulating, implementing, monitoring, and reporting, as requested, the status of his/her department's budget.

One basic operational belief that exists from the superintendent to the department directors is that each director is responsible for formulating, implementing, monitoring, and reporting, as requested, the status of that department's budget. It is the sole responsibility of the superintendent to formulate a combined and total budget for the intermediate school district, based on the input provided by the department directors. Given the responsibility for his/her own budget, each department director also has the authority to implement that budget within defined state statutes/guidelines/or policies as well as any set forth by the schoolboard.

That all students are handled fairly, not mistreated, have an equal opportunity to exercise due process, and that each understands the legitimate concern this intermediate has for his/her individual and personal success.

A basic belief that is consistently visible relates to the handling of student discipline. It is the common belief within this intermediate school district that all students are handled in a manner that encourages success and demonstrates personal concern. The staff within

Eaton Intermediate School District understand that the purpose of this school system is to encourage students to stay in school, not to implement ways or policies that discourage students from succeeding in school. There should be no stone left unturned to encourage student success within the school.

The superintendent's office must maintain constant contact with the local media.

Finally, this superintendent has a strong belief that it is of paramount importance for this office to be in constant contact with the local media. One of the strongest allies of this office, and ultimately of the entire school district, is the local media. Superintendent Hayden has indicated that, without them you will struggle, and with them you will move smoothly forward, as he reflected on his successes with the local media. The implication here is that it is important to this office to maintain a positive working relationship with the members of the local media. The local media personnel must feel they have open channels of communication with the school system and will be dealt with openly and honestly. These people should be included in all issues, not just those that are believed to be of interest to them. The philosophy of this intermediate school district superintendent is to keep the media informed at all times, and to include them at every opportunity.

In summary, it is important to remember that the

hierarchies defined in Figure 1 (Michigan's Educational Hierarchy), and Figure 2 (Eaton Intermediate School District Structural Hierarchy), only recognize the major levels. Incorporated within each level are many support levels that significantly broaden the scope of this structure. A leader's clear understanding of these structures and his/her position within them will assist that leader to lead/manage/administer the resources and people in a more effective manner. Learning one's place within a given structure and knowing the status and responsibilities of the levels above and below one's own is an asset to those who expect to function effectively within the total system.

The review and discussion of Michigan's Educational Hierarchy and that of Eaton Intermediate School District was designed to provide a picture of the interrelatedness of the levels within each, and a sense of position of the intermediate school district superintendent. Each level was discussed in detail to provide the reader with a base of background information.

Also, it is the basic operational beliefs discussed in this chapter that prevail and direct the operation of Eaton Intermediate School District. These operational beliefs were clarified by Superintendent Hayden during this internship, and are utilized consistently within this intermediate school district.

The primary role of the intermediate school district is to provide those services to students not otherwise provided by the local school districts within Eaton County.

The intermediate schoolboard and the superintendent must work as a team.

The intermediate's customer is the constituent local school district, not the student body.

The superintendent must understand Michigan's School Code and operate within it.

Each Eaton Intermediate employee will be employed as long as he/she desires, and this intermediate has a position available that utilizes that employee's certification/state qualifications for the training and education of students.

Each director within this system will be responsible for formulating, implementing, monitoring, and reporting, as requested, the status of his/her department's budget.

All students are handled fairly, not mistreated, have an equal opportunity to exercise due process, and that each student understand the legitimate concern this intermediate has for his/her individual and personal success.

The superintendent's office must maintain constant contact with the local media.

Without a clear understanding of the meaning of these operational beliefs, and open communication as to how each will impact each staff member, this intermediate school district would not be what it is today.

The discussion of these basic operational beliefs of the Eaton Intermediate School District was presented to provide the reader with a perspective from which the skills and activities of the Eaton Intermediate School District superintendent can be viewed.

CHAPTER III

THE INTERMEDIATE SCHOOL DISTRICT SUPERINTENDENT: THE PERSONNEL ROLE

This chapter will help the reader identify the interpersonal, conceptual, and technical skills and activities that are important in developing the positive people skills that are so prevalent in the daily operation of the intermediate school district. Superintendent Hayden's views will be noted and explained. From these, the reader must draw his/her own conclusions as to the priority that should be given to each activity and the importance of expending the effort necessary to develop the skill/s.

The office of the superintendent must incorporate, as a top priority, interaction with people. To eliminate people is occupational suicide, and to involve people is occupational stability and security. Superintendent Hayden estimates that his involvement with people occupies approximately 80% of his available work time. This involvement includes a wide variety of activities such as responding to phone calls from the general public, group staff meetings, legislative meetings, meetings with the Michigan Department of Education personnel, individual meetings with staff, routine one-on-one instruction and

discussion with clerical staff, and communication with sales persons and maintenance personnel. The amount of time devoted to activities involving interpersonal skills is often underestimated.

Superintendent Hayden has identified some people who will help him reduce the amount of time he spends working directly with a wide variety of people. Identified were a secretary who could relate with the female portion of the staff and has excellent people skills; the building maintenance director who is in a position to communicate with a wide variety of in-house staff as well as salespersons, contractors, etc.; the existing personnel director/assistant superintendent/program director because of the nature of his job-role which demand him to be patient, a good listener, and a good assessor of people; and a building principal as a person who is in a middle management position with people responsible to him, as per their job-role. As a result, it is felt that the strong positive interpersonal skills demonstrated by these individuals will spread throughout the entire system. Developing acceptable interpersonal skills and positive attitudes does not necessarily mean daily contact, but it does require an honest and open relationship. It must be a top priority of the intermediate school district superintendent and the intermediate district schoolboard.

The belief of this office is that "when an employee fails, the intermediate school district fails with them" (Hayden, Note 2). It is felt by the administration that one of the important obligations of this intermediate school district is to implement a progressive and corrective discipline procedure that will help each employee become a good employee. At the present time, Eaton Intermediate School District does not have a formal personnel structure that allows the system to be equitably fair in all situations. However, this is now a top priority for the intermediate school district, and is being addressed in an aggressive manner. As a result, the necessary leadership and resources to correct this inconsistency within the system's structure will be provided.

Hayden has the personal belief that it is difficult, and somewhat dangerous, to mix personal and work relationships. In discussion of this topic, Superintendent Hayden stated: "It's tough to be both boss and friend." (Hayden, Note 3) Hayden believes that there is an element of conflict with the prescribed job role of the superintendent and maintaining a personal relationship with the same people outside the work environment. It is believed by Hayden that those administrators who attempt to mix their work relationships and personal relationships open themselves up for criticism. This situation

can, and will, jeopardize the ability of the superintendent to be effective and successful.

In summary, in the area of personnel at Eaton Intermediate School District, the one obvious belief is that all people must be handled and treated fairly. However, the Eaton Intermediate School District is finding this a difficult task to implement.

Among the many skills needed to be effective in the area of personnel, the intermediate school district superintendent should be: (a) strong in one-on-one communication, (b) adept at group organization for task completion, (c) a sales representative of his/her and the district's ideas, (d) an effective follow-up person, (e) a good listener, (f) empathetic without being sympathetic, and (g) an effective group presenter. It is through this combination of skills the intermediate school district superintendent gains respect in the area of personnel management and supervision.

CHAPTER IV

THE LEGISLATIVE AND PROFESSIONAL INVOLVEMENT OF THE SUPERINTENDENT

This chapter provides the reader with an understanding of how the Eaton Intermediate School District and Superintendent Hayden view legislative involvement by the superintendent. The reader will gain an understanding of the skills and activities necessary to carry out this involvement. Benefits to the district as a result of this type of activity will also be identified.

For the purpose of this report, legislative activity will refer to any activity that is done outside the intermediate school district, and in conjunction with a governmental body.

Legislative activities are important to the financial success of every intermediate and local school district. Even though this type of activity is generally done in a low key manner, this does not mean it is not necessary or encouraged. As indicated by Superintendent Michael Bitar of Albion Public Schools in a personal interview, "some schoolboards frown on, and discourage, out-of-district involvement (those activities of the superintendent done outside the geographic boundaries of the district) by their superintendent for reasons of

mistrust, time on task within the district, or lack of understanding by the schoolboard as to advantages and benefits gained." (Bitar, Note 4) It is suggested that whatever is being done as a legislative activity that may, in some way, represent the school district, be discussed openly with the schoolboard prior to the commitment or involvement being made. It is always good courtesy to share with the schoolboard what is being done by the superintendent during the work day and how it may benefit the district.

Relative to out-of-district professional involvement or activities, Superintendent Hayden has indicated that he believes active superintendents should be involved in those professional organizations which are most apt to benefit the office and the district. These benefits may include information made available to the superintendent, operational techniques that may improve what presently exists, or the opportunity to reap the financial benefits of available grants, projects, etc. The superintendent, as an individual educational leader, can benefit from professional organizations by: (a) being involved in available inservice training in those areas in which he/she may be technically weak, (b) learning from the sharing of ideas and techniques with other professionals in the same professional level of the educational hierarchy, and (c) being present at specific presentations that

may make him/her aware of the coming trends in education and the direction the State Department of Education may be heading. It is through this type of professional growth of its chief administrator, that the intermediate school district will benefit. Thus, the board should allow and support this type of involvement. It is important that the superintendent has outlets through which ideas, concerns, frustrations, definitions, and anxieties can be shared and explored. Not only is it important to share, but to share with someone who can look and listen objectively. Through this process, the superintendent can find the support necessary to grow professionally and personally. Appropriate professional organizations can fulfill many needs of the involved superintendent as well as those of the school district.

In terms of working with members of government who represent a given school district, Superintendent Hayden has some very clearly defined beliefs. For example, Superintendent Hayden is strong in his belief that every superintendent must: (a) communicate with the State Legislative Representative and State Senator on a regular basis, (b) meet with the appropriate governmental people as often as is necessary to keep them informed and aware of what is happening in their local educational district, (c) attend as many benefits held in their honor as possible, (d) constantly invite these professional politic-

ians to be involved in the educational activities of the district, (e) always respond to their questionnaires and surveys, (f) be sure to keep them abreast of the trouble spots in their educational community, (g) be available to serve and assist on committees when requested to do so, (h) be familiar with the legislative staff people, (i) know the leaders in the Michigan Department of Education and their individual and specific job roles, and (j) be knowledgeable of what is happening in the State Senate and Legislature, and have some basic understanding of how this particular school district will be impacted. It is through this type of continual involvement outside one's own district that the communication moves from the top of the educational hierarchy to each descending level (refer to Figures 1 and 2 shown on pages 5 and 14 respectively).

For districts where the superintendent is involved in legislative-type activities, Mr. Hayden believes that many benefits and advantages will be accrued. These could include: (a) special consideration by a higher authority concerning the acceptance of an educational proposal, (b) an increased level of financial support provided to the district which will significantly influence what can or cannot be offered the student population and/or local community, (c) some new policy or policies may be in the State Senate and Legislature education committees requiring support which will impact education

state-wide, and especially this particular local district, and (d) that the district may find stronger and more open leadership from those higher authorities in a way that assures success and visibility. These benefits and advantages are attainable by simply going the extra mile, i.e., being actively involved with those who can impact the school district. This operational belief is supported by Dr. Vernon Potts, assistant superintendent of Battle Creek Public Schools. While leading a leadership workshop/class during November, 1984, Dr. Potts stated that educational public relations and legislative activity is an on-going activity that significantly impacts the success of the district with its student population.

In summary, there appear to be many benefits to be gained by those districts who actively involve their superintendent in an on-going legislative effort. Attending legislative dinners, campaign fund-raisers, professional meetings at the state level, and other activities can provide many benefits that may otherwise be passed along to another district. For example, increased amounts of project funding, equipment up-dating support, as well as some individual recognition that would otherwise be overlooked.

An additional point of interest here is that there seems to be support for superintendents to continue their

professional growth through participation in relevant professional organizations. The personal benefits gained from this type of activity indirectly benefit the district as the superintendent becomes more skilled and confident in his/her job role. The skill needed here, is the skill of being able to select those professional organizations that best meet the needs of the superintendent, and will in turn, meet the needs of the district.

CHAPTER V

THE SUPERINTENDENT'S ROLE WITH BUDGET AND FINANCE

This chapter identifies activities and skills in public education finance common to the successful school superintendent. The needed skills will be derived from a discussion of the three basic sources of governmental revenues to Michigan's school districts, i.e., State Aid, Federal Revenue, and Local Taxation.

Having keen budget and finance skills is often overlooked in the administrative levels of education. It is often this oversight and limited skill that positions some educational leaders for demotion and/or job loss. "More superintendents lose their jobs, or are asked to leave a school district because of mismanagement of district money than for any other single reason." (Hayden, Note 5)

School finance is unique in many ways because of its many sources of income. Its governmental sources of income include: (a) local taxes, (b) state taxes, and (c) federal grants. Other sources of income may include; (a) specially reimbursed projects, (b) district investments, student tuitions, and so on. Common to all of these is the fact that all school or educational monies are ob-

tained, either directly or indirectly from public taxes. Because of the relationship between education's financial support and the tax dollar, it is critical that every superintendent understand his/her role in the proper, precise, and clear handling of this resource. If funds are not handled in a manner that can be clearly audited, there is little doubt that confusion will exist, programs will be limited, staff employment may become tentative and unstable, and student progress and learning will be impacted in a negative manner. In addition, the potential for an insecure and mistrusting relationship between the superintendent and the schoolboard, subordinate staff, and taxpaying public may lead to the superintendent's removal from this management position in Michigan's public or private educational system.

Because Michigan's school districts receive their governmental monies from the three basic sources listed previously (State Aid, Federal Revenue, Local Taxation), they are tightly controlled as to how they utilize them. The first source identified here, State Aid, is received every two months in varying amounts based on a scheduled percentage of the total revenue to be received throughout the fiscal year. This is described in the excerpt from the Michigan State Aid Act, section 17, shown below:

Not later than October 1, December 1, February 1, April 1, June 1, and August 1, the department shall prepare a statement of the amount to be distributed in the installment to the Local

Districts and Intermediate Districts and deliver the statement to the State Treasurer. The portion of the Local District's or Intermediate District's State fiscal year entitlement to be included in each installment shall be 20%, 19%, 17%, 16%, 15%, and 13% respectively. The State Treasurer shall draw a warrant in favor of the Treasurer of each Local District or Intermediate District. The amount distributed on August 1 shall be considered for State accounting purposes to be allocated for the months of August and September. Funds allocated to Local Districts or Intermediate Districts shall be considered allocated for use within the Local District or Intermediate District fiscal year in which the payments are received under the payment schedule of this section. If a District experiences an increase in membership over the prior year, the August 1 payment shall be recomputed so that the District receives credit for the increased membership in the school fiscal year, with the additional amount due the District to be allocated in the February 1, April 1, or June 1 payments or any combination of these payments. However, this additional amount shall then be deducted from the District's subsequent August 1 payment, so that the State pays the District no more, in the State's fiscal year, than the District's proper entitlement under this act. (Michigan State Aid Act, Section 17)

When working with State reimbursement and assigned student allocations, the most important single document that should be understood by the superintendent is Michigan's State School Aid Act of 1977 (see Appendix A). Due to the complexity of the State School Aid Act of 1977, it is suggested by Superintendent Hayden that any superintendent who is unsure of its requirements, spend time with the personnel in the Michigan Department of Education, or another superintendent who has become very conversant in its contents. It is the purpose of this

Act to provide a means by which each school district in Michigan can deliver its educational programs with fair and equal financial support from the State Legislature and Michigan Department of Education.

A second source of revenue is federal money that is distributed to the State agencies by the Michigan Department of Education as directed by the State Legislature. This money is appropriated to meet the general goals of education in this state and often requires a request from local and/or intermediate districts that are interested in meeting one or more of the State's defined goals.

Among the federal guidelines that regulate the government's financial support of local school educational delivery programs, the following are of particular interest to the superintendent. No federal money that is a carry-over, i.e., State or federal money that is not spent during a planned year and is either added to, or subtracted from, next year's projection, and represents more than a thirty day supply may be kept on record. Carry-over money cannot represent more than thirty percent (30%) of the total amount available for that particular grant. The school district must also provide a statement of accrual, i.e., the school's net worth statement that defines assets versus liabilities, a clarification of direct costs, i.e., those costs within a school district that can be traced directly to a specific pro-

gram, and indirect cost rates, i.e., those costs within a school district that cannot be traced directly to a specific program (see Appendix B). All grant expenses must be covered by specific and identified project revenue, and all program/project directors and/or superintendents are required to provide a clear and accurate budget that represents all areas of cost within that program. Clearly, when working through soft money, i.e., that money that is included in the district's budget, but is not derived through stable tax collections or assigned millages, or from the Federal Government, it is important to know and understand the process and the reimbursement timelines set up by the funding agency. Budget development, monitoring, and reporting skills, relative to the use of soft money, are important skills for any superintendent.

A third area of revenue for the intermediate school district is local taxation. Some educational leaders feel that this is often the most critical source of revenue because of the relationship it creates between the local populace and the school district. It is the local taxpaying public who will provide the most direct vocal and financial input to the schoolboard and superintendent regarding approval or disapproval of the financial picture and status of its school district. So it is to this specific population that the superintendent must

be particularly clear and precise in communication relative to budget and finance.

In relation to local taxation, there are some issues that are common to all districts in this state. One of these common issues is the levy of local property tax as a means of supporting the operation of Michigan's public schools. All property within a given school district is assessed at fifty percent (50%) of its real value for taxing purposes. To that amount, the taxing agency, usually the city/township/county clerk, applies the local school millage to calculate the actual dollars to be distributed to the schools. This amount can be changed yearly based on the increased or decreased property assessment values for that year (see Appendix C).

District millages are voted on by the local population. These millages may be established for a variety of purposes and for varying lengths of time. Among those different millages is one that is termed "charter." The "charter" millage is one that is established for a specific purpose and will remain in force until it is specifically reduced or eliminated by schoolboard action or popular vote. In Eaton County, there are three "charter" millages in effect for the intermediate school district. The General Education Department has a two mil (the equivalent of one dollar per one thousand dollars assessed) "charter," Special Education has a two mil "charter,"

and the Vocational Education Department has a one mil "charter." This simply means that each of these departments within the intermediate school district is assured of that "charter" millage amount of the total property tax base within the county each year. By having this amount guaranteed each year, each of these departments is assured of a reasonably stable amount of money with which to operate. None of these "charter" millage amounts represent the total amount of money in the budget, but they do represent a substantial base from which to begin. Without the "charter" millage, intermediate school districts would be forced to continually go to the public for increased and renewed millage amounts.

It is not uncommon for local school superintendents and intermediate school district superintendents to work cooperatively, in the area of school finance. A common budget activity that exists, as a result of cooperation, is budget transfer. A budget transfer results when superintendents from different school districts and/or different educational levels compensate each other to cover student enrollment tuition, services purchased, cooperative equipment purchasing, facility rental, etc. Through this process the financial records in each district can, and must be kept clear so they can be easily understood by State auditors.

Working through the school's fiscal year is often

very confusing as one attempts to understand revenues and expenses. A part of the confusion results from the fact that the local and intermediate school districts in Michigan are on a July 1 to June 30 fiscal calendar while the State Department of Education is on an October 1 to September 30 fiscal calendar. Because of this three month overlap, issues of fiscal planning and State reimbursement are often confusing and difficult to handle. In an attempt to keep Eaton Intermediate School District solvent and in a stable financial state, its superintendent has elected to operate under this philosophy: plan the school budget by anticipating low revenues and high expenses. By so doing, it is the belief of this superintendent that the intermediate school district budget is more likely to report some amount of fund equity (the amount of surplus money that is available to carry over into the next year's budget after all of the current year's expenses are met) at the end of the fiscal year instead of reporting a deficit spending situation (when the amount of budgeted money does not support the amount of current expenditures).

Should a district find itself in a deficit spending situation, the decisions become: employee layoff; program cut-backs; less services offered; or possible millage campaigns in an effort to become solvent. It is illegal, in Michigan, for a school district to operate in a defi-

cit spending situation. One of the things that is required of school districts who anticipate a change in their taxation base assessment value which may create a possible deficit spending situation, is to follow the Truth in Taxation guidelines (see Appendix D). A helpful document, issued by the Michigan Department of Education to its school districts, is its Manual for Budgeting (see Appendix E). This manual provides some suggestions to those responsible for school district financing that can be very helpful in meeting the requirements of the Department of Education.

There are a variety of techniques available to assist intermediate school districts in handling their cash flow. Among these, one might consider making partial payment of accrued bills, holding back those bill payments approved by the schoolboard until the needed money becomes available, eliminate or reduce some of the least needed job titles and responsibilities, seek available grants from State and Federal sources, seek short-term loans, or ask staff to take immediate pay cuts. These are not highly recommended, but are legal and available for use. Whatever decision is made, it should be made with total awareness and open communication between the superintendent and the schoolboard.

Superintendent Hayden assured this intern that the strong bond between Michigan's superintendents will

always be an asset and ready resource to assist any incoming superintendent in the area of school finance. There is help available, and it should be used whenever necessary. School finance should not be feared, only handled with respect.

In summary, this chapter provides an understanding of the three major sources of governmental revenue for Michigan's Intermediate School Districts: (a) State aid, (b) federal revenue, and (c) local taxation, as well as three other sources of income (specially reimbursed projects, district investments, and student tuitions). Being familiar with the basic and unique qualities of each revenue source is necessary for the intermediate superintendent if he/she anticipates financial solvency for his/her school district.

Also noted, are the basic skills that allow the superintendent to function effectively in the school finance arena. For example, the intermediate school district superintendent should be skilled in budget design, project writing, financial investing, and financial forecasting. It is these skills that provide a solid financial and operational base from which the superintendent can operate for the benefit of the entire district.

CHAPTER VI

COOPERATION WITH LOCAL SCHOOL DISTRICT SUPERINTENDENTS WITHIN THE EATON INTERMEDIATE SCHOOL DISTRICT

The office of the intermediate school district superintendent is a unique position in the hierarchy of Michigan's educational system. Because of the responsibilities of this office, the person involved must have a wide variety of skills. Among those skills is the ability to manage people, direct public relations activities, develop conceptual ideas, develop and formulate plans of implementation, work with legislative bodies and personnel, and have strong financial skills. In addition, there are a set of activities and skills related to establishing and maintaining a cooperative relationship with local school districts. This chapter identifies activities engaged in by the intermediate school district superintendent as he/she interacts and cooperates with those local school district superintendents within the intermediate school district.

With the exception of some specific issues which are mandated to the intermediate school district superintendent, the duties and responsibilities of the two types of Michigan superintendents are the same. It appears that the role of the intermediate school district superinten-

dent is somewhat wider in scope than is that of the local school district superintendent. When one looks at the role of the two superintendent positions, it is clear that the intermediate school district superintendent tends to coordinate whatever joint activity takes place within the intermediate district. It is the intermediate school district superintendent who is responsible for all of the property and public school personnel records in the intermediate school district. In looking at these two positions, there is some obvious overlap. For example, both are expected to be good managers of people and resources; both should have a reasonably clear understanding of school law; both should possess an element of sensitivity to local need; both can benefit from having good foresight and accurate judgment; and finally, both must be solid and fair decision-makers.

There seems to be little question that whatever cooperation, district-wide activity, and administrative leadership that is going to take place will occur through the office of the intermediate school district superintendent. As one reviews Michigan's hierarchy of education, it should be noted that the intermediate school district superintendent is positioned above the local school superintendent.

The local district superintendent does not appear to be as involved, on a regular basis, outside the local

district as does the intermediate superintendent. The intermediate school district superintendent has more need to become politically active at the local and state levels because of the broader scope of responsibility and interest. It appears, in most situations, that whenever administrative involvement is reflective on the total intermediate school district student and staff population, it is the intermediate school district superintendent who becomes more involved than does the local school district superintendent. This may result from the personal involvement of the intermediate school district superintendent in the delivery of General Education, Special Education, and Vocational Education, as well as a wide variety of other specialized projects that significantly impact student learning within the entire county. This does not exclude the fact that, from time to time, this position of responsibility, authority, or level of activity, may change based on an individual superintendent's individual interest and personal motivation.

Contractual negotiations and Michigan's Public Meetings Act No. 261 of 1968 (see Appendix F) are important areas of expertise that should be developed by each superintendent. As both of these positions, the local school district superintendent and the intermediate school district superintendent, continue to function in Michigan, both will find themselves intimately involved

with contractual negotiations and Michigan's Public Meetings Act No. 261 of 1968. Much of the superintendent's energy should be spent understanding the staff with which contractual negotiations will become an important task. In an effort to encourage what is considered effective negotiations, the superintendent must have personal interest in the staff, and must spend a significant amount of time nurturing his/her knowledge, awareness, and sensitivity to the staff.

"The local school superintendency appears to be the training ground for the superintendency of an intermediate school district" (Hayden, Note 6). In discussion with Superintendent Hayden, the above statement was based around the apparent trend by intermediate school district schoolboards to hire their superintendents from the available local school district personnel rather than their own available counterparts. The reason for this is unknown; but, as one reviews the most recent new intermediate school district superintendent assignments in Michigan, the trend appears very clear. For some reason, intermediate superintendents do not make the transfer from one intermediate school district to another as easily as one would think. It is not impossible, but it is somewhat uncommon. From this, the direction of this intern toward the superintendency of an intermediate school district became very apparent--attain a small

local school district superintendency first, develop the interpersonal, conceptual, and technical skills, then move up and toward the goal as the positions avail themselves.

In summary, those individuals interested in advancing their professional careers toward an intermediate school district superintendency should understand the job role completely. These individuals should also be familiar with the similarities and differences of the local school district superintendency and the intermediate school district superintendency if they wish to make a clear and rational comparison. Understanding the broad intermediate school district superintendent's duties and responsibilities are crucial to the person investigating this particular career. Knowing that the intermediate school district superintendent is primarily a person needing strong coordination skills because of the nature of the relationship he/she may have with the local school district superintendents, is important if success is a goal or personal objective. And finally, having the skills necessary to develop, monitor, administer, and report a variety of specialized projects and budgets is also crucial. In addition to the above skills, being fluent within the appropriate political circles can only be an asset to the intermediate school district superintendent, and the intermediate school district population.

CHAPTER VII

A SUMMARY OF THIS INTERNSHIP: ITS VALUE

In this internship, the role of the intermediate school district superintendent was studied for reasons identified in the introduction of this report: (a) the level at which this leader functions within the educational hierarchy of the State of Michigan; (b) the diverse duties and responsibilities placed on this job role by the State of Michigan, Intermediate School District Schoolboard, local communities within the district; and (c) the involvement of this position with the three major components of Michigan's educational system at the K-12 level. As a result of this study, this intern was able to become familiar with a variety of job role components of the Eaton Intermediate School District Superintendent. The functioning level of the intermediate school district superintendent with the state's educational hierarchy was made clear in comparison to the level of the local school superintendent. The many indirect, but related, responsibilities and duties that are often overlooked and taken for granted are now clear. And, most importantly, the interaction, involvement, and necessary working knowledge of all three components in Michigan's educational system

(General, Special, and Vocational Education) has become very clear and understandable. The ability to coordinate and interact with each of these disciplines is a skill that appears to be a necessary ingredient of the successful intermediate school district superintendent.

As this intern looks back on the time spent completing this graduate school requirement, many things come to mind. There is little question of the value this internship will have on the direction taken by this intern relative to the next occupational move. Without this internship activity, the occupational pathways would have remained many and uncertain. With this internship, these same pathways have definition and direction. A clear understanding of the skills needed is now in focus, and a realistic outlook and acceptance of the intern's skills clearer. Also, this intern is more aware of the wide variety of routine duties and activities that are expected of the superintendent's job role. With this added insight, the potential for improper occupational placement is much less a reality. To look at those administrative positions, previously viewed as out of reach, in a much more realistic manner, is very comforting. Having the good fortune to work under such a highly qualified financial expert, who quietly disguises many of the other talents that have enabled him to maintain his position for some fourteen or so years, was a stroke of good

fortune that will always impact this intern's administrative activity.

This internship was designed to provide the intern with a wide variety of information relative to the job role of an intermediate school district superintendent. While including some information relative to those possible occupational variations that may exist in a local school district's superintendency. To do this, specific goals were set up and approved as defined in the Major Internship Prospectus 1984-85 School Year (see Appendix G).

In retrospect, it should be noted that this has been a very fruitful experience and can be considered as one of the most beneficial in this intern's graduate work. This experience has been one of the very few which has allowed the learner to develop and design some portion of the learning process in a way that has moved that person (the intern) toward his own personal and professional goal in a manner that is most comfortable and beneficial to him. This was done without sacrificing quality of learning or direct relevance to his individual personal and professional needs and goals. For that opportunity, only appreciation and gratitude can be expressed.

And so, thanks to an opportunity to work this internship through the personal attention of a very quali-

fied superintendent, and the direction of Dr. Jack Humbert, and supervision of Dr. Ken Dickie, this intern is now much more knowledgeable of the job role of the intermediate school district superintendent in Michigan and especially aware of how he will fit his personal and professional talents, interests, and skills into that particular arena, if at all. Having the opportunity to identify one's own talents, interests, and skills, and clarify how each matches those needed to be successful in a particular occupation has been the most beneficial component of this internship and learning experience.

Reference Notes

1. Elliott, D., Presentation quote, November, 1984.
2. Hayden, S., Personal interview, January, 1985.
3. Hayden, S., Personal interview, February, 1985.
4. Bitar, M., Personal interview quote, November, 1984.
5. Hayden, S. Personal communication, November, 1985.
6. Hayden, S. Personal communication, December, 1984.

Appendix A

The Michigan State School Aid Act of 1977

THE STATE SCHOOL AID ACT OF 1977

Act 90, 1977, p. ____; Eff. Oct. 1

AN ACT to make appropriations for the purpose of aiding in the support of the public schools and the intermediate school districts of the state; to provide for the disbursement of the appropriations; to permit school districts to borrow and to regulate the effect of the disbursements; to provide for issuance of bonds and other evidences of indebtedness by the state; to prescribe penalties; to supplement the school aid fund by the levy and collection of certain taxes; and to repeal certain acts and parts of acts.

The People of the State of Michigan enact:

ARTICLE 1**388.1401 Short title.**

Sec. 1. This act shall be known and may be cited as "the state school aid act of 1977".

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

388.1402 Meanings of words and phrases.

Sec. 2. For the purposes of this act, the words and phrases defined in sections 3 to 6 shall have the meanings respectively ascribed to them in those sections.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

388.1403 Definitions; B, D.

Sec. 3. (1) "Board" means the governing body of a district.

(2) "Department" means the state department of education.

(3) "District" means a local school district established under part 2, 3, 4, 5, or 6 of the school code of 1976 or a local act school district.

(4) "District superintendent" means the superintendent of a district.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

388.1404 Definitions; E to H.

Sec. 4. (1) "Elementary pupil" means a pupil in membership in grades K to 8 in a district not maintaining classes above the eighth grade or in grades K to 6 in a district maintaining classes above the eighth grade.

(2) "Extended school year" means an educational program conducted by a district in which pupils must be enrolled but not necessarily in attendance, on the pupil membership count day in an extended year program. The mandatory days of student instruction and prescribed clock hours shall be completed by each pupil not more than 365 calendar days after the pupil's first day of classes for the school year prescribed. The department shall prescribe pupil, personnel, and other reporting requirements for the educational program.

(3) "High school pupil" means a pupil in membership in grades 7 to 12, except in a district not maintaining grades above the eighth.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

388.1405

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388.1405 Definitions; I.

Sec. 5. (1) "Intermediate board" means the governing body of an intermediate district.

(2) "Intermediate district" means an intermediate school district established under part 7 of the school code of 1976.

(3) "Intermediate superintendent" means the superintendent of an intermediate district.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

388.1406 Definitions; M to T.

Sec. 6. (1) "Membership" means the number of full-time equivalent pupils in grades K to 12 actually enrolled and in regular daily attendance on the pupil membership count day as determined by the number of pupils registered for attendance plus pupils received by transfer and minus pupils lost as defined by rules promulgated by the state board. In a district operating an extended school year program approved by the state board, a pupil enrolled, but not scheduled to be in regular daily attendance on the count day, shall be counted. The department shall give a uniform interpretation of full-time and part-time memberships.

(2) "Pupil" means a person in membership in a public school.

(3) "Pupil membership count day" of a district means the fourth Friday following Labor day each school year, except that the membership count day of a district maintaining school during the entire school year means the following days:

- (a) Fourth Friday in July.
- (b) Fourth Friday in October.
- (c) Fourth Friday in January.
- (d) Fourth Friday in April.

(4) "Rule" means a rule promulgated pursuant to Act No. 306 of the Public Acts of 1969, as amended, being sections 24.201 to 24.315 of the Michigan Compiled Laws.

(5) "The school code of 1976" means Act No. 451 of the Public Acts of 1976, being sections 380.1 to 380.1853 of the Michigan Compiled Laws.

(6) "State board" means the state board of education.

(7) "Tuition pupil" means a child of school age attending school in a district other than the child's district of residence.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

388.1409 Rules; report of violation.

Sec. 9. The state board shall promulgate rules necessary to implement and administer this act. The rules which affect the distribution of a school aid program shall not be promulgated later than the third Friday of January of the year following legislative enactment of the program. The joint legislative committee on administrative rules shall report a violation of this section to the legislature and the governor.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

388.1411 Appropriation.

Sec. 11. There is appropriated from the school aid fund established by section 11 of article 9 of the state constitution of 1963, for the fiscal year ending

September 30, 1978, the sum necessary to fulfill the requirements of this act and any deficiency is appropriated from the general fund by the legislature. The appropriation shall be allocated as provided in this act.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

388.1412 Excise tax.

Sec. 12. (1) For the purpose of supplementing the school aid fund established by section 11 of article 9 of the state constitution of 1963, there is levied, in addition to the taxes imposed by law, an excise tax equivalent to 4% of the retail selling price of spirits, as defined in section 2 of Act No. 8 of the Public Acts of the Extra Session of 1933, as amended, being section 436.2 of the Michigan Compiled Laws, other than those containing an alcoholic content of less than 22%.

(2) The tax shall be collected by the liquor control commission at the time of sale by the commission. In the case of a sale to a licensee, the tax shall be computed on the retail selling price established by the commission without allowance of discount.

(3) Upon collection the liquor control commission shall deposit the entire proceeds in the state treasury to the credit of the school aid fund.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

388.1413 Apportionments; limitations of apportionments; counting memberships and teachers.

Sec. 13. The apportionments and limitations of the apportionments made under this act shall be made on the membership and number of teachers and other professionals approved by the superintendent of public instruction, employed as of the pupil membership count day of each year, on the number of pupils for whom transportation is allowed for the preceding school year, elementary or high school tuition payments for the current fiscal year, per capita cost of pupils for the preceding year, and on the state equalized valuation of each district for the calendar year. Apportionments shall be made under this act for teachers and other personnel approved by the superintendent of public instruction in special education programs and services initiated after the pupil membership count day in accordance with section 53. In addition, a district maintaining school during the entire year, as provided in section 1561 of the school code of 1976, shall count memberships and teachers in accordance with rules promulgated by the state board.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

388.1414 Defective returns; duties of department.

Sec. 14. If the returns from an intermediate district or district upon which a statement of the amount to be disbursed or paid to are defective, making it impracticable to ascertain the share of the appropriation to be disbursed or paid, the department shall ascertain by the best evidence available the facts upon which the ratio and amount of the apportionment shall depend and make the apportionment accordingly.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

388.1415 Apportionment of deficiency in appropriation; deduction of excess in appropriation.

Sec. 15. If a district or intermediate district fails to receive its proper share of the appropriation due, the department, upon satisfactory proof that the district or

intermediate district was justly entitled, shall apportion the deficiency in the next apportionment. If a district or intermediate district has received more than its proper share of the appropriation, the department, upon satisfactory proof, shall deduct the excess in the next apportionment, except that a deduction due to an adjustment by the state tax commission in the equalized valuation of a district or intermediate district shall be made in the apportionment for the fiscal year following the fiscal year in which the state tax commission finalizes the valuation.

HISTORY: New 1977, p. —, Act 90. Eff. Oct. 1.

388.1416 Allowance greater than actual amounts paid prohibited; deduction of excess.

Sec. 16. Notwithstanding the allowance for pupils attending school in a district for tuition or transportation, or both, a district shall not receive a greater allowance than the actual amounts paid by the district. If a district receives in an apportionment more than was paid, the excess shall be deducted from the district's next apportionment.

HISTORY: New 1977, p. —, Act 90. Eff. Oct. 1.

388.1417 Statement of amount to be distributed in installment to districts; portion of entitlement to be included in installment; warrants; allocations.

Sec. 17. On or before August 1, October 1, December 1, February 1, April 1, and June 1, the department shall prepare a statement of the amount to be distributed in the installment to the districts or intermediate districts and deliver the statement to the state treasurer. The portion of the district's or intermediate district's state fiscal year entitlement to be included in each installment shall be 20%, 19%, 17%, 16%, 15%, and 13% respectively, beginning with the October 1 installment. The state treasurer shall draw a warrant in favor of the treasurer of each district or intermediate district for the amount payable to the district or intermediate district according to the statement and deliver the warrants to the treasurer of each district or intermediate district. The amount distributed on August 1 shall be considered for state accounting purposes to be allocated for the months of August and September. Funds allocated to districts or intermediate districts shall be considered allocated for district or intermediate district use within the district or intermediate district fiscal year in which the payments are received under the payment schedule of this section.

HISTORY: New 1977, p. —, Act 90. Eff. Oct. 1.

388.1418 Application of money received under act; determining reasonableness of expenditures; withholding apportionment for violation; audit; report.

Sec. 18. (1) Except as provided in articles 3, 4, and 6, each district shall apply the money received by the district under this act to salaries of teachers and other employees, tuition, transportation, lighting, heating and ventilation, and water service and to the purchase of textbooks which are designated by the board to be used in the schools under the board's charge and other supplies. An amount equal to not more than 5% of the total amount received by a district under article 2 may be expended by the board for capital costs or debt service for debts contracted after December 8, 1932. The money shall not be applied or taken for a purpose other than as provided in this section. The department shall determine the reasonableness of expenditures and may withhold from a district the apportionment otherwise due for the fiscal year following the discovery by the department of a violation by the district.

(2) For the purpose of determining the reasonableness of expenditures and whether a violation of this act has occurred, the department shall require that each district has an audit of the district's financial and pupil accounting records at least annually at the expense of the district by a certified public accountant or by the intermediate district superintendent, as may be required by the department, or in the case of a district of the first class by a certified public accountant, the intermediate superintendent, or the auditor general of the city. The audits and management letters shall be subject to rules prescribed by the state board, in consultation with the state auditor general. A copy of the report of each audit shall be filed as required by the state board and shall be available during reasonable times for public inspection.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1

ARTICLE 2

388.1421 Allocations to school districts; computation; levy of taxes; pupils enrolled in full-time special education programs; adult education programs; cooperative arrangements; gross membership allowances; adjustment of membership count.

Sec. 21. (1) Except as otherwise provided in this act, from the amount appropriated in section 11, there is allocated to every district an amount per membership pupil sufficient to guarantee the district a combined state-local yield or "gross allowance" of \$164.00 in 1977-78 and \$260.00 in 1978-79, plus \$40.00 per mill of tax levied for purposes included in the operation cost of the district as prescribed in section 1401 of the school code of 1976, but not in excess of 30 mills in 1977-78. The net allocation for each district shall be an amount per membership pupil computed by subtracting, from the gross allowance guaranteed the district, the product of the district's state equalized valuation behind each membership pupil and the millage utilized for computing the gross allowance. As a condition of receiving reimbursement in 1978-79 under this section for operating millage levied in excess of 30 mills, a district shall levy no more operating millage in excess of 30 mills than that amount computed by multiplying the operating millage the district is authorized to levy in excess of 30 mills by the state equalized valuation behind each membership pupil and dividing the resulting product by \$40,000.00.

(2) A tax levied under section 1356(3)(b) of the school code of 1976, for the retirement of an operating deficit shall be considered levied for operating purposes in making computations under this section.

(3) From the amount appropriated in section 11, there is allocated the sum of \$6,000,000.00 to be distributed to those districts receiving an allocation under subsection (1) or section 143 and experiencing a decline of membership in 1977-78 over 1976-77 in excess of 2%. The distribution made under this subsection shall be on the basis of an amount per pupil of membership decline in excess of 2%.

(4) A pupil who is enrolled in a full-time special education program conducted or administered by an intermediate district, shall not be included in the membership count of a local district but shall be counted in membership in the intermediate district. For each pupil, the intermediate district shall receive under this section a gross membership allowance computed by averaging the actual gross membership allowances of the intermediate district's constituent districts weighted as to membership.

(5) A district operating an adult education program and receiving an allocation under subsection (1) shall provide the program within the geographic boundaries of the district.

(6) Two or more K to 12 districts may conduct adult education programs on a cooperative basis. Cooperating districts shall enter into a written agreement which shall cover the education, administrative, management, operational, and financial matters concerning adult education programs and services between participating districts. One district shall administer the adult education program and shall operate the program as a direct extension of the district.

(7) A district which does not receive an allocation under subsection (1), with the approval of the department, may enter into a cooperative arrangement with a district which receives membership aid for the purpose of obtaining educational services for adult pupils.

(8) A district which operates an adult education program under subsection (6) and enrolls pupils from districts not receiving an allocation under subsection (1) or not levying the maximum number of mills equalized under subsection (1) shall receive for those pupils the lesser of the following gross membership allowances:

(a) The operating district's membership aid gross allowance.

(b) A gross membership allowance computed by averaging the actual gross membership allowances weighted as to membership of the constituent districts in the intermediate district of the operating district.

(9) The state board may provide a district with an adjustment of the district's membership count, upon the showing of a substantial increase in membership due to the closing of a nonpublic school after the pupil membership count day.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

388.1422 Excise tax on income as credit in computing membership aid.

Sec. 22. A district levying an excise tax upon income pursuant to section 451 of the school code of 1976, shall be credited, in computing the district's membership aid under section 21, with 6.5 mills for a tax equal to 50% of the liability of the corporation or resident individual for a ~~2%~~ city income tax, and with a proportionate lesser number of mills or fractions of mills for a tax equal to less than 50% of the liability.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

388.1424 Counting child placed in home or institution as resident of district; computation, certification, and adjustment of total membership.

Sec. 24. A child under court jurisdiction who is placed in a private home or in a private or public institution located outside the district in which the child's parents or legal guardians reside may be counted as a resident of the district of attendance if other than the district of the child's parents or legal guardian. The child shall be counted as 1-1/2 memberships. The total membership of these children shall be computed by adding the membership days attended by the children up to April 1 of the current school year and dividing the total by the number of days in the school year of the district up to April 1 of the current school year. The membership thus obtained shall be certified by the district to the department, which shall adjust the total membership of the district accordingly in determining the school aid to be paid during the current fiscal year.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

Sec. 25. The valuations of a district shall be reduced as follows:

(a) An application may be filed by the district in form and content as prescribed by the department showing the total taxes levied on property located within the district by the taxing agencies, including the district but excluding taxes levied for school operating purposes.

(b) Using the total taxes for the prior year as last reported by the state tax commission for the entire state, but excluding the taxes levied for school operating purposes, the department shall determine the tax rate for the entire state. The applicant district's tax rate shall be determined by dividing the figure obtained in subdivision (a) by the district's prior year valuation.

(c) If the resulting tax rate for the applicant district is 125% or more of the resulting tax rate for the districts of the state, the valuation of the applicant district shall be reduced by the percentage by which the resulting tax rate in the applicant district exceeds 125% of the resulting tax rates in all districts of the state. Not more than \$30,000,000.00 in 1977-78, shall be allocated as the result of reduction of valuation under this section.

COMPILER'S NOTE: The above section was vetoed by the Governor. See veto message dated August 3, 1977.

388.1427 Allocation of funds for debt service obligations; bases of reimbursements; computing number of mills to be equalized; maximum amount reimbursable; distribution and receipt of funds; compliance with §388.951 et seq.; loans under §388.951 et seq.; limitation on district levying less than 7 mills for debt service; disallowing deductions from state aid.

Sec. 27. (1) From the amount appropriated in section 11, there is allocated to an applicant district operating a K to 12 program, funds to be used in paying debt service obligations incurred as the result of borrowing for capital outlay projects and in meeting building and site fund requirements. The purpose, use, and expenditure of the funds shall be limited as if the funds were generated by ad valorem taxes levied for debt service and building and site purposes.

(2) The reimbursements under this section shall be based on prior year membership, obligation of a district for debt service, taxes levied for building and site purposes, taxes levied for repayment of loans from the state pursuant to section 16 of article 9 of the state constitution of 1963, and operational levies, or the equivalent.

(3) In 1977-78, the number of mills to be equalized shall be computed:

(a) By dividing the amount of the district's total obligation for debt service and building and site by the membership, and dividing the result by \$39,000.00.

(b) By adding 1 mill for payments due to the state, when applicable, for loans made pursuant to section 16 of article 9 of the state constitution of 1963.

(c) The number of mills when added to the operational millage or 26 mills, whichever is lesser, shall not exceed 26.4 mills.

(4) For purposes of subsection (3), the maximum amount reimbursable to an entitled district shall be computed by multiplying the millage to be equalized by the membership, and multiplying the product by the amount by which \$39,000.00 exceeds the state equalized valuation per membership pupil of the district.

(5) In 1978-79, the number of mills to be equalized shall be computed:

(a) By dividing the amount of the district's total obligation for debt service and building and site by the membership, and dividing the result by \$40,000.00.

(b) By adding 1 mill for payments due to the state, when applicable, for loans made pursuant to section 16 of article 9 of the state constitution of 1963.

(c) The number of mills when added to the operational millage or 26 mills, whichever is lesser, shall not exceed 26.4 mills.

(6) For purposes of subsection (5), the maximum amount reimbursable to an entitled district shall be computed by multiplying the millage to be equalized by the membership, and multiplying the product by the amount by which \$40,000.00 exceeds the state equalized valuation per membership pupil of the district.

(7) The funds shall be distributed to and received by the district before February 1. The school debt service and building and site millage authorized and levied by a district shall be reduced, in a fiscal year in which funds are received under this section, by an amount equal to that in excess of that which is necessary to be levied in the district in that year to produce the amount of funds which together with other available funds including funds the district receives under this section and excess debt retirement fund balances as determined by the department equals the funds necessary to pay debt service and building and site requirements for that fiscal year, including payments due the state for loans made pursuant to section 16 of article 9 of the state constitution of 1963. If not reduced as provided in this section, the district shall forfeit and repay the funds received under this section, which together with other available funds exceeds that which is necessary to pay debt service and building and site requirements for that fiscal year, including payments due the state for loans made pursuant to section 16 of article 9 of the state constitution of 1963, to the state. The state may withhold other funds due the district to enforce this subsection. This requirement shall not prohibit the eligibility of the district to elect to borrow from the state under Act No. 108 of the Public Acts of 1961, as amended, being sections 388.951 to 388.963 of the Michigan Compiled Laws.

(8) For purposes of compliance with the requirements of Act No. 108 of the Public Acts of 1961, as amended, for a district repaying a loan levy at least 7 mills, the district shall be considered to be levying the millage necessary to yield locally the amount yielded by the actual millage levied, including state equalization.

(9) For purposes of application and entitlement for loan under Act No. 108 of the Public Acts of 1961, as amended, the actual millage levied shall control. A district levying 7 or more mills for building and site and debt service, exclusive of the 1 mill for payments due to the state for loans made pursuant to section 16 of article 9 of the state constitution of 1963, shall not be required to levy the 1 mill for payments due to the state for loans made pursuant to section 16 of article 9 of the state constitution of 1963, but shall be required to levy, consistent with Act No. 108 of the Public Acts of 1961, as amended, millage which, together with state equalization, if any, of that millage, would yield 10% of the difference between the yield of 7 mills as equalized and the debt service payment required.

(10) A district levying less than 7 mills for debt service shall not receive, for that fiscal year, funds under both this section and section 2 of Act No. 108 of the Public Acts of 1961, as amended.

(11) The department shall disallow deductions from state aid that were made or would otherwise be required pursuant to subsection (7) due to excess debt retirement or building and site levies in 1975-76, providing any funds received from excess debt retirement or building and site levies in 1975-76 have been applied to debt retirement and building and site obligations for 1976-77. This subsection shall only apply to a school district that experienced an increase in SEV in 1975-76 over 1974-75 of 35% or greater.

HISTORY: New 1977, p. — Act 90, Eff. Oct. 1.

ARTICLE 3

388.1431 Comprehensive compensatory education programs; allocation.

Sec. 31. From the amount appropriated in section 11, there is allocated \$28,000,000.00 to enable eligible districts to establish or to continue, in conjunction with whatever federal funds may be available under title 1 of the elementary and secondary education act, 20 U.S.C. 236 to 246, but not to exceed \$250.00 of state funds per eligible pupil participating in the programs, comprehensive compensatory education programs designed to improve the achievement in basic cognitive skills of pupils enrolled in grades K to 6 who have extraordinary need for special assistance to improve competency in those basic skills and for whom the districts are not already receiving additional funds by virtue of the pupils being physically, mentally, or emotionally handicapped.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

388.1432 Eligibility for allocation.

Sec. 32. (1) A district shall be eligible for an allocation under section 31 if at least 15% of the district's total enrollment in grades K to 6 and not less than 30 of the district's pupils in grades K to 6, as described in section 31 and as computed under section 33, are found to be in need of substantial improvement in basic cognitive skills, except that a district which received that aid in 1970-71 for schools housing grades 7 and 8 shall be funded if the pupils in those schools are found eligible in a manner determined by the department.

(2) For 1977-78, a district which received funds under this article in 1976-77 and which would not receive funds under subsection (1) shall be distributed an amount equal to 50% of the amount received in 1976-77.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

388.1433 Calculating number of pupils needing substantial improvement in basic cognitive skills.

Sec. 33. The number of pupils in grades K to 6 construed to be in need of substantial improvement in the basic cognitive skills in years 1977-78 and 1978-79 shall be calculated for each district by the following procedural steps:

(a) Using the reading and mathematics tests scores of the statewide assessment battery given in the fall of the 2 prior years, the percentage of the district's pupils in grade 4 who attained 40% or fewer of the reading objectives and the percentage of the district's pupils in grade 4 who attained 40% or fewer of the mathematics objectives shall be averaged. The aggregate enrollment of the district in grades K to 4 on the pupil membership count day of the preceding school year shall be multiplied by this average percentage to determine the estimated number of pupils in grades K to 4.

(b) Using the reading and mathematics test scores of the statewide assessment battery given in the fall of the 2 prior years, the percentage of the district's pupils in grade 7 who attained 40% or fewer of the reading objectives and the percentage of the district's pupils in grade 7 who attained 40% or fewer of the mathematics objectives shall be averaged. The aggregate enrollment of the district in grades 5 and 6 on the pupil membership count day of the preceding school year shall be multiplied by this average percentage to determine the estimated number of pupils in grades 5 and 6.

(c) The number of pupils determined in subdivision (a) shall be added to the number of pupils determined in subdivision (b). This resultant sum shall be

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construed to be the number of pupils of the district enrolled in grades K to 6 who have extraordinary need of substantial improvement in basic cognitive skills at the beginning of the school year.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

388.1434 Determination of tentative allocations.

Sec. 34. The tentative allocations to each eligible district shall be determined by multiplying the number of pupils determined in section 33(c) by \$250.00.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

388.1435 Distribution of tentative allocations.

Sec. 35. The tentative allocations as determined in section 34 shall be distributed among districts in decreasing order of concentration of eligible pupils as determined by section 33 until the money appropriated in section 31 is distributed if:

(a) The district has applied for the money on a form provided by the department.

(b) The district has shown evidence of having established comparability among schools within the district in accordance with standards established by the state board.

(c) The district is committed to the involvement of parents, teachers, and administrators in the planning and continuous evaluation of compensatory education programs as conducted under this article.

(d) The district has identified the performance objectives of the district's compensatory education programs. Performance objectives shall be concerned primarily with the improvement of pupils' performance in the basic cognitive skills.

(e) The district has certified that the district will identify or have identified, on or before the pupil membership count day the pupils to be provided special assistance with this money with the pupils being selected in grades 2 to 6 from the lowest achievers in basic cognitive skills and in grades K and 1 from among those with the lowest readiness for the acquisition of cognitive skills. The aggregate number of pupils selected from grades K to 4 and from grades 5 and 6 shall bear at least the same ratio to the total enrollment in these blocs of grades as those percentages which were used for the district in section 33(a) and (b).

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

388.1436 Use of moneys.

Sec. 36. (1) A district receiving money under section 31 may use the money in a manner which, in the judgment of the district's board and staff, contributes significantly toward substantial improvements in the basic cognitive skills of the pupils. The uses may include the following:

(a) Employment of additional personnel.

(b) Purchase of instructional devices and other aids.

(c) Leasing of portable classrooms.

(d) Contracting with a public or private agency, a group of employees, or a group of nonemployees.

(e) Providing in-service training for teachers and other personnel.

(f) Providing adequate nutrition and health care to students.

(2) A district shall use the state funds for specifically identified students to supplement and not supplant the use of federal money. However, a district experiencing a large degree of program failure, having less than 40% of the district's pupils achieving gains of 75% or greater, shall change the delivery system and submit its program for the approval of the department.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

388.1437 Assessment or evaluation of pupil progress; tests; administration; migrating pupils, absent pupils, and pupils unable to take posttest.

Sec. 37. As a condition of receiving money under this article, an assessment or evaluation of the progress of each pupil determined to be in need of special assistance under this article shall be made with the use of pretests and posttests. The tests shall be administered or approved for administration by the department in accordance with policies of the state board to determine the amount of progress made by the pupils toward attainment of the performance objective specified in the district's approved application as stipulated in section 35(d). Regardless of gain levels, a district shall be paid in full for a pupil who has migrated from the district during the school year, for a pupil who has not attended school for a minimum period of 150 days because of health reasons verified by a medical authority, for a pupil unable to take a posttest because of emergency conditions as verified by a written statement from a parent or guardian, and for up to 5% of student records for which posttest data are not available for reasons other than those listed in this section.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

388.1438 Report on evaluation studies and exemplary programs.

Sec. 38. The state board shall report to the governor and the legislature not later than October 1 of each year the results of the evaluation studies, including a report on exemplary programs which promote academic achievement.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

388.1439 Allocation for pupils bused to achieve racial balance prohibited; return of unused funds.

Sec. 39. (1) Funds appropriated under this article shall not be allocated for pupils bused to another district for the purpose of achieving a racial balance of students.

(2) Funds appropriated under this article which are not used for the purpose appropriated shall be returned to the general fund.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

ARTICLE 4

388.1441 Bilingual instruction for pupils of limited English-speaking ability; allocation; reimbursement.

Sec. 41. From the amount appropriated in section 11, there is allocated not to exceed \$3,000,000.00 to applicant districts and intermediate districts offering programs of bilingual instruction for pupils of limited English-speaking ability as required by sections 1152 to 1158 of the school code of 1976. Reimbursement shall be on a per pupil basis and shall be based on the number of bilingual pupils in membership on the pupil membership count day.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

388.1443 Reading support service programs; salaries; rules; allocation; funding; reports; publication of descriptive lists.

Sec. 43. (1) Districts and intermediate districts offering reading support service programs approved by the department are entitled to 75% of the actual cost of the salary, not to exceed \$8,100.00 for an individual salary of a reading support service teacher approved by the department. The state board may promulgate rules to prescribe the maximum number of pupils per teacher to be counted.

(2) From the total appropriated in section 11, there is allocated not to exceed \$2,000,000.00 for reading support service programs to be used for teachers' salaries.

(3) A district or intermediate district entitled to receive funds under both this section and section 31 shall be funded only under whichever section provides the greater amount.

(4) Districts or intermediate districts providing reading support services under this section shall submit, as part of their application for approval, performance objectives for the reading programs, and shall provide annually to the department the results of an evaluation based upon the previously submitted objectives. The reports shall include, when appropriate, a summary by grade of pupil scores on pretests and posttests.

(5) The department shall publish annually a descriptive list of district and intermediate district reading support programs demonstrating above average pupil gain scores.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

Sec. 47. (1) From the amount appropriated in section 11, there is allocated not to exceed \$117,000.00 for 1977-78 to applicant districts and intermediate districts for the purpose of experimenting with, evaluating, and reporting upon programs of special instruction for pupils who are academically talented or gifted in terms of uniquely high intelligence or special ability, to such a degree that the pupils' academic potential might not be realized in a normal instructional setting. A district or intermediate district shall not receive funds under this section for more than 3 additional fiscal years. An eligible district or intermediate district which received funds in 1976-77 under section 47 of former Act No. 258 of the Public Acts of 1972, shall receive under this subsection in 1977-78 an amount not less than that received in 1976-77.

(2) From the amount appropriated in section 11, there is allocated not to exceed \$133,000.00 for 1977-78 to applicant districts or intermediate districts not receiving funds under subsection (1) which provide support services for the education of gifted and academically talented pupils. A district or intermediate district is entitled to 75% of the actual salary, not to exceed \$12,000.00 for an individual salary of a support services teacher approved by the department.

COMPILER'S NOTE: The above section was vetoed by the Governor. See veto message dated August 3, 1977.

388.1448 Nonresidential alternative juvenile rehabilitation programs; funding of salaries; resolution; supervision; reimbursement; evaluation; federal funds.

Sec. 48. (1) From the amount appropriated in section 11, there is allocated not to exceed \$1,500,000.00 for 1977-78 to applicant districts or intermediate districts for nonresidential alternative juvenile rehabilitation programs, which shall be defined as programs for children and youth who have been found to need

remedial academic, or social rehabilitative services, or both. To be eligible for funding of salaries from legislative appropriations, the county board of commissioners of the county in which the program is conducted or the supervising district, by resolution, shall agree to fund the balance of the cost of the program. The district or intermediate district in which the program is conducted, in cooperation with the juvenile division of the probate court of the county, shall supervise the program. The district or intermediate district may apply for state money for reimbursement of \$7,500.00 for the salary of each professional program person required. The program shall be evaluated annually by the department.

(2) The department may use federal funds that may become available for the purpose of strengthening nonresidential alternative juvenile rehabilitation programs.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

ARTICLE 5

388.1451 Special education programs, services, and special education personnel; allocation; funds; computation of reimbursement; definitions; rights, benefits, and tenure of transferred personnel.

Sec. 51. (1) There is allocated \$106,000,000.00, to consist of an amount not to exceed \$99,750,000.00 from the amount appropriated in section 11 and \$6,250,000.00 in federal funding under part B of the education for all handicapped children act of 1975, 20 U.S.C. 1411 to 1420, for the purpose of reimbursing districts and intermediate districts for special education programs, services, and special education personnel as prescribed in article 3 of the school code of 1976, and programs for pupils handicapped by learning disabilities as defined by the department. For meeting the costs of special education programs and services not reimbursed under this article, a district or intermediate district may use money in general funds or special education funds, not otherwise restricted, or contributions from districts to intermediate districts, tuition payments, gifts and contributions from individuals, or federal funds that may be available for this purpose, as determined by the intermediate district plan prepared pursuant to article 3 of the school code of 1976.

(2) Reimbursement shall be computed on an added cost basis. For purposes of this article:

(a) "Added costs" shall be computed by deducting, from the total approved costs of special education programs and services, a membership aid gross allowance for each full-time equated special education pupil counted in membership in the district or intermediate district, whose primary educational or training program, as determined by the department, is a special education program and service as defined in section 6 of the school code of 1976.

(b) "Total approved costs of special education programs and services" shall be determined in a manner specified by the department and may include indirect costs but shall not exceed 115% of approved direct costs or include salaries or other compensation paid to administrative personnel who are not special education personnel as defined in section 6 of the school code of 1976. Initial costs incurred in 1976-77 and 1977-78 for the purchase, installation, and needed remodeling of relocatable classrooms may, with departmental approval, be included as indirect costs for reimbursement under sections 52 and 53 in 1977-78, subject to the 115% limitation.

(c) A "membership aid gross allowance" shall be computed pursuant to section

21(1). The membership aid gross allowance for an intermediate district shall be computed by averaging the gross allowances of the intermediate district's constituent districts weighted as to membership.

(3) Special education personnel transferred from 1 district to another to implement the school code of 1976 shall be entitled to the rights, benefits, and tenure to which the person would otherwise be entitled had that person been employed by the receiving district originally.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

388.1452 Special education pupils generally; reimbursement.

Sec. 52. (1) Reimbursement shall be a portion determined by the amount appropriated but not to exceed 75% of the added costs of operating special education programs and services approved by the department and included in the intermediate district plan adopted pursuant to article 3 of the school code of 1976 for special education pupils other than those programs funded under section 53, and of the costs of programs and services for trainable mentally impaired persons, day training programs, and services for severely mentally impaired persons, the added costs of summer programs and services, and the added costs of providing room and board for special education pupils, as approved by the department.

(2) The added costs of transportation for special education pupils shall not be funded under this section but shall be reimbursed under article 7.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

388.1453 Special education pupils; institutional and nonresident community placement; reimbursement.

Sec. 53. (1) Reimbursement shall be 100% of the added costs of operating special education programs and services approved by the department and included in the intermediate district plan adopted pursuant to article 3 of the school code of 1976 for the special education pupils, including severely mentally impaired, trainable mentally impaired, severely multiply impaired, or otherwise handicapped persons, assigned to a district or intermediate district through the community placement program of the courts or a state agency, if the pupil was a resident of another district at the time the pupil came under the jurisdiction of the court or a state agency, and for the special education pupils who are residents of institutions operated by the department of mental health. Only those costs that are clearly and directly attributable to educational programs for institutional and nonresident community placement pupils, and that would not in fact have been incurred if the pupils were not being educated in a district, can be reimbursed under this section.

(2) The added costs of transportation shall be funded under this section but shall not be reimbursed under article 7.

(3) Not more than \$17,200,000.00 of the allocation in section 51(1) shall be allocated under this section.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

388.1456 Reimbursement of Intermediate districts levying millages for special education; limitation; definitions.

Sec. 56. (1) From the amount appropriated in section 11, there is allocated the amount necessary to reimburse intermediate districts levying millages for special education pursuant to part 30 of the school code of 1976. The purpose, use, and expenditure of the reimbursement shall be limited as if the funds were generated

by these millages and governed by the intermediate district plan adopted pursuant to article 3 of the school code of 1976.

(2) For the purposes of this section:

(a) "Membership" means the total membership of the intermediate school and the districts constituent to the intermediate district.

(b) "Millage levied" means the millage levied for special education, pursuant to part 30 of the school code of 1976, including a levy for debt service obligations.

(c) "State equalized valuation" means the total state equalized valuation of the districts constituent to an intermediate district, except that if a district has elected not to come under part 30 of the school code of 1976, the membership and state equalized valuation of the district shall not be included in the membership and state equalized valuation of the intermediate district.

(3) Reimbursement for those millages levied in 1976-77 shall be made in 1977-78 at 25% of an amount per 1976-77 membership pupil computed by subtracting from \$39,000.00 the 1976-77 state equalized valuation behind each membership pupil, and multiplying the resulting difference by the 1976-77 millage levied.

(4) Reimbursement for those millages levied in 1977-78 shall be made in 1978-79 at 30% of an amount per 1977-78 membership pupil computed by subtracting from \$40,000.00 the 1977-78 state equalized valuation behind each membership pupil, and multiplying the resulting difference by the 1977-78 millage levied.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

ARTICLE 6

388.1461 Reimbursement for secondary-level vocational-technical education programs; reimbursement for administration.

Sec. 61. (1) From the amount appropriated in section 11, there is allocated the sum of \$22,400,000.00 to reimburse districts and secondary area vocational-technical centers for secondary-level vocational-technical education programs on an added cost basis. The definition of what constitutes those programs and reimbursement shall be in accordance with rules promulgated by the department. Applications for participation in the programs shall be filed in the form prescribed by the department. The department shall determine the added cost for each vocational-technical program area. The allocation of added cost funds shall be based on the type of vocational-technical programs provided, the number of pupils enrolled, and the length of the training period provided, and shall not exceed 75% of the added cost of any program, except that extended day and summer school programs shall be allocated 100% of added costs. The board of a district maintaining a secondary vocational-technical education program, with the approval of the department, may offer the program for the period from the close of the school year until September 1. The program shall use existing facilities and shall be operated as prescribed by rules promulgated by the department.

(2) Districts and intermediate districts shall be reimbursed for local vocational administration, shared time vocational administration, and career education planning district vocational-technical administration. The definition of what constitutes administration and reimbursement shall be in accordance with guidelines established by the state board. Not more than \$800,000.00 of the allocation in subsection (1) shall be distributed under this subsection.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

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388.1462 Reimbursement of intermediate districts and area vocational-technical education programs levying millages for area vocational-technical education.

Sec. 62. (1) From the amount appropriated in section 11, there is allocated the amount necessary to reimburse intermediate districts and area vocational-technical education programs established under section 640(3) of the school code of 1976, levying millages for area vocational-technical education pursuant to sections 681 to 690 of the school code of 1976. The purpose, use, and expenditure of the reimbursement shall be limited as if the funds were generated by those millages.

(2) For the purposes of this section:

(a) "Membership" means the total membership of the intermediate district and the districts constituent to the intermediate district or the total membership of the area vocational-technical education program.

(b) "Millage levied" means the millage levied for area vocational-technical education pursuant to sections 681 to 690 of the school code of 1976, including a levy for debt service obligations incurred as the result of borrowing for capital outlay projects and in meeting building and site fund requirements of area vocational-technical education.

(c) "State equalized valuation" means the total state equalized valuation of the districts constituent to an intermediate district or area vocational-technical education program, except that if a district has elected not to come under sections 681 to 690 of the school code of 1976, the membership and state equalized valuation of the district shall not be included in the membership and state equalized valuation of the intermediate district.

(3) Reimbursement for the millages levied in 1976-77 shall be made in 1977-78 at 25% of an amount per 1976-77 membership pupil computed by subtracting from \$39,000.00 the 1976-77 state equalized valuation behind each membership pupil, and multiplying the resulting difference by the 1976-77 millage levied.

(4) Reimbursement for the millages levied in 1977-78 shall be made in 1978-79 at 30% of an amount per 1977-78 membership pupil computed by subtracting from \$40,000.00 the 1977-78 state equalized valuation behind each membership pupil, and multiplying the resulting difference by the 1977-78 millage levied.

HISTORY: New 1977, p. ____; Act 90, Eff. Oct. 1.

ARTICLE 7

388.1471 Reimbursement for transportation services; routes, distances, vehicles, and equipment; disapproved bus route as bar to allotment; alternative tutoring programs.

Sec. 71. (1) From the amount appropriated in section 11, there is allocated not to exceed \$79,700,000.00 to reimburse districts and intermediate districts transporting pupils from the vicinity of their homes to the schools the pupils attend, or from their homes or schools to area vocational centers or other facilities providing approved occupational programs and back again in amounts determined by the department but not to exceed 75% of the actual cost of the transportation. The rate of reimbursement for contracted transportation services or transportation services provided through the use of public transit systems shall be the same as for district owned bus fleets. Reimbursement shall not be granted for the transportation of pupils living within 1-1/2 miles of the schools which the pupils attend, except for

handicapped pupils, as defined in rules promulgated by the state board, whom the department determines cannot safely walk the distance, and for pupils in attendance at alternative education programs for pregnant persons. Transportation distances shall be measured along public streets and highways.

(2) Upon investigation the department shall review, confirm, set aside, or amend the action, order, or decision of the board of a district with reference to the routes over which the pupils shall be transported, the distance the pupils shall be required to walk, and the suitability and number of vehicles and equipment for the transportation of the pupils.

(3) An allotment for transportation shall not be allowed a district which operates a bus route disapproved by the department.

(4) Districts with pupils living in remote or isolated areas from which transportation to and from regularly scheduled classes is either impossible or prohibitively expensive for seasonal periods of less than half of the regularly scheduled school year may establish, with department approval, alternative tutoring programs and be reimbursed under this section for 75% of the approved costs of the programs.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

388.1474 School bus driver safety instruction; cost of instruction; driver compensation.

Sec. 74. A state supported college or university or intermediate school district providing school bus driver safety instruction in accordance with section 305a of Act No. 300 of the Public Acts of 1949, as amended, being section 257.305a of the Michigan Compiled Laws, shall be granted an amount determined by the department not to exceed 75% of the actual cost of instruction and driver compensation for each public or nonpublic school bus driver attending a course of instruction. For the purpose of computing compensation, the hourly rate allowed each school bus driver shall not exceed the hourly rate received for driving a school bus. Reimbursement compensating the driver during the course of instruction shall be made by the department to the college or university or intermediate school district providing the course of instruction.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

388.1479 Payment for busing to achieve racial balance prohibited.

Sec. 79. An appropriation allocated under this act for the purpose of covering transportation costs or a portion of the costs shall not be used for the payment of cross busing to achieve a racial balance of students within a district or districts.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

ARTICLE 8

388.1481 State aid to intermediate districts; allocation; computation; additional allotment following consolidation, annexation, or attachment.

Sec. 81. (1) From the amount appropriated in section 11, there is allocated to the intermediate districts the sum necessary but not to exceed \$12,048,000.00 to provide state aid to intermediate districts. There shall be allocated to each intermediate district a sum obtained by multiplying the number of pupils in membership in the intermediate district and its constituent districts by \$9.35. This amount shall be reduced by a sum equal to .14 mill on the state equalized valuation of the property in the intermediate district, or, for an intermediate

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district having a fixed allocation of less than .14 mill adopted as a separate limitation pursuant to section 6 of article 9 of the state constitution of 1963, shall be reduced by a sum equal to the fixed allocation levied on the state equalized valuation of the property in the intermediate district. However, an intermediate district shall not receive less than the greater of the following amounts:

(a) An amount obtained by adding subparagraph (i), (ii), and (iii), and subtracting from that sum the product of the current year's state equalized valuation and the prior year's operating millage:

(i) 105.5% of the previous year's aid received under this section.

(ii) 105.5% of the previous year's aid received under section 144(2) of former Act No. 258 of the Public Acts of 1972, as amended.

(iii) 105.5% of the product of the previous year's state equalized valuation and the previous year's operating millage.

(b) An amount obtained by adding the following:

(i) 105.5% of the previous year's aid received under this section.

(ii) 105.5% of the previous year's aid received under section 144(2) of former Act No. 258 of the Public Acts of 1972, as amended.

(2) An intermediate district formed by the consolidation or annexation of 2 or more intermediate districts or the attachment of a total intermediate district to another intermediate district shall be entitled to an additional allotment of \$3,500.00 for each intermediate district included in the new intermediate district for 3 years following consolidation, annexation, or attachment.

HISTORY: New 1977, p. ____ Act 90. Eff. Oct. 1.

388.1483 Educational media centers; allocation.

Sec. 83. From the amount appropriated in section 11, there is allocated to intermediate districts \$1,250,000.00 in 1977-78 to operate educational media centers under section 671 of the school code of 1976, and the criteria established by the state board.

HISTORY: New 1977, p. ____ Act 90. Eff. Oct. 1.

ARTICLE 9

388.1493 Alternative education programs for pregnant persons; allocation for salaries of teachers.

Sec. 93. From the amount appropriated in section 11, there is allocated not to exceed \$700,000.00 to be used for the salaries of teachers in alternative education programs for pregnant persons as approved by the department under section 1301 of the school code of 1976. Districts and intermediate districts providing approved programs shall be entitled to 75% of the actual cost of the salary, not to exceed \$8,100.00 for any individual salary, of each teacher approved by the department.

HISTORY: New 1977, p. ____ Act 90. Eff. Oct. 1.

Sec. 96. From the amount appropriated in section 11, there is allocated not to exceed \$1,450,000.00 in 1977-78 to be used by districts conducting community school programs approved by the department.

COMPILER'S NOTE: The above section was vetoed by the Governor. See veto message dated August 3, 1977.

ARTICLE 10

388.1501 Eligibility to receive state aid; filing certified and sworn copy of enrollment; failure to file; wilful falsification; minimum required days of student instruction; forfeiture; certification; strikes or teachers' conferences; rules; funds on hand exceeding amount expended for operation cost.

Sec. 101. (1) To be eligible to receive state aid under this act, on or before the seventh Friday following Labor day of each year, each district superintendent through the secretary of the district's board shall file with the intermediate superintendent a certified and sworn copy of the district's enrollment for the current school year. In addition, a district maintaining school during the entire year, as provided under section 1561 of the school code of 1976, shall file with the intermediate superintendent a certified and sworn copy of the enrollment for the current school year under rules promulgated by the state board. In case of failure to file the sworn and certified copy on or before the seventh Friday following Labor day or under rules promulgated by the state board, state aid under this act shall be withheld from the defaulting district. A person who wilfully falsifies a figure or statement in the certified and sworn copy of enrollment shall be punished in the manner prescribed by the laws of this state.

(2) Each district shall provide a minimum of 180 days of student instruction. A district failing to hold 180 days of student instruction shall forfeit 1/180 of its total state aid appropriation for each day of failure. A district failing to comply with rules promulgated by the state board which establish the minimum time student instruction is to be provided to pupils for the regular school year shall forfeit from its total state aid appropriation an amount determined by applying a ratio of the time duration the district was in noncompliance in relation to the minimum time student instruction is required. A district failing to meet both the minimum 180 days of student instruction requirement and the prescribed time of student instruction requirement shall be penalized only the higher of the 2 amounts calculated under the above forfeiture provisions. Not later than August 1, the board of each district shall certify to the department the number of days of student instruction in the previous school year. If the district did not hold at least 180 days of student instruction, the deduction of state aid shall be made in the following fiscal year from the first payment of state school aid. Days lost because of strikes or teachers' conferences shall not be counted as days of student instruction. A district not having 70% of the district's membership in attendance on any day shall receive state aid in that proportion of 1/180 that the actual percent of attendance bears to 70%. The state board shall promulgate rules for the implementation of this subsection.

(3) A district shall not be allotted or paid a sum under this act in a year if the department determines that at the end of the preceding fiscal year the amount of funds on hand in the district available for the payment of the operation cost in the district exceeded the amount of money expended for operation cost in the district during the preceding fiscal year.

HISTORY: New 1977, p. ____ Act 80, Eff. Oct. 1.

388.1502 Deficit budget or operating deficit prohibited; submission of budget and deficit reduction plan; release of payments; report of deficits; amount of permissible deficit.

Sec. 102. (1) A district receiving money under this act shall not adopt or operate under a deficit budget and a district shall not incur an operating deficit in

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a fund during a fiscal year. Each district shall submit the district's adopted budget for the current fiscal year to the department before November 1. A district with an existing deficit or which incurs a deficit shall not be allotted or paid a further sum under this act until the district submits to the department for approval a budget for the current fiscal year and a plan to eliminate the district's deficit not later than the end of the second fiscal year after the deficit was incurred. Withheld state aid payments shall be released after the department approves the deficit reduction plan and ensures that the budget for the current fiscal year is balanced.

(2) The department shall report to the legislature annually those deficits incurred by districts and the progress made in reducing deficits.

(3) The amount of the permissible deficit for each fiscal year shall not exceed the amount of state aid reduced by an executive order during that fiscal year.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

388.1503 Pupil to teacher ratio; limitation on allotment; exception; teacher defined.

Sec. 103. (1) A district shall not be allotted or paid a sum under this act for the number of pupils in membership in excess of a ratio of 30 pupils to 1 teacher. The department may include all pupils in membership regardless of this section if in the department's judgment the district could not maintain the ratio because of lack of funds, facilities, or qualified teachers.

(2) For the purpose of this section, a teacher means an employee of the district holding a valid Michigan teacher's certificate.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

388.1505 Age of pupils counted in membership.

Sec. 105. (1) Pupils to be counted in membership shall be at least 5 years of age on December 1 and under 20 years of age on September 1 of the school year except that pupils regularly enrolled and working toward a high school diploma may be counted in membership regardless of age.

(2) A pupil under 20 years of age on September 1 of the school year and having obtained a high school diploma shall be counted in membership if enrolled in academic or vocational-technical courses that would normally be credited toward high school completion.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

388.1506 Children not counted in membership where programs fully subsidized.

Sec. 106. A child enrolled in public school programs organized under federal or state supervision and in which the teaching costs are fully subsidized from federal or state funds shall not be counted in membership.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

388.1507 Computing prorated membership of certain part-time pupils; report.

Sec. 107. The prorated membership of a part-time pupil, 18 years of age or older on September 1 of a school year, attending grades 9 to 12 shall be computed by applying a ratio which is the relation between the number of hours of student instruction received and 480 clock hours of classroom instruction. Time required to pass to and from classes shall be counted as classroom instruction, but meal time, study halls, or recess time shall not be counted. Before February 1, 1978, the

department shall report to the legislature on the relationship of revenues to costs for adult education programs resulting from the requirements of this section.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

ARTICLE 11

388.1511 Tuition charges; computation; reduction; effect of charging full per capita operating cost per pupils; deduction of membership aid from tuition rates; additional allowance.

Sec. 111. (1) A district having tuition pupils enrolled on the pupil membership count day of each year shall charge the district in which the tuition pupils reside tuition computed in accordance with section 1401 of the school code of 1976, except tuition shall not be charged for adult part-time pupils. The resulting tuition rates shall be reduced by the gross per pupil membership guarantee provided under section 21, except that the following districts shall charge the full per capita operating cost determined under section 1401 of the school code of 1976 for tuition pupils other than special education pupils:

(a) A district not receiving a membership allowance under section 21.

(b) A district enrolling pupils who reside in a district which is legally liable for the payment of the tuition, does not receive a membership allowance under section 21, and levies a lower operating millage than the district enrolling the pupils.

(2) A pupil for whom the full per capita operating cost as determined by section 1401 of the school code of 1976 is charged as tuition under subsection (1)(b) shall not be counted in membership in the receiving district for purposes of calculating state aid allocations under sections 21 and 143. A pupil for whom the full per capita operating cost as determined by section 1401 of the school code of 1976 is paid by the pupil's district of residence under subsection (1)(b) shall be counted in membership in the pupil's district of residence solely for purposes of calculating state aid allocations under sections 21 and 143.

(3) Special education tuition pupils enrolled in a district not receiving membership allowance under section 21 shall be counted in membership in the intermediate district to which the district is constituent, and the resulting membership aid shall be paid by the intermediate district to the receiving district and deducted from the tuition rates charged the sending district. An additional allowance for nonpublic, nonresident pupils in part-time membership shall be made to the district receiving nonpublic, nonresident pupils in an amount equal to the difference between the per capita cost as determined in section 1401 of the school code of 1976 and the gross per pupil membership guarantee provided under section 21.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

388.1513 Children residing in juvenile or detention home and attending school by direction of court; children residing in home of child's parents or legal guardian or juvenile home.

Sec. 113. Notwithstanding section 111, a child residing in a juvenile or detention home operated by the juvenile division of a probate court and attending school by direction of the court in the district of residence of the child's parent or legal guardian shall not be counted as a tuition pupil but shall be counted in resident membership in that district. A child residing in the home of the child's parent or legal guardian but who, by assignment of a probate court, attends school

in another district shall not be counted as a tuition student but shall be counted in resident membership in the district which the child attends. A child residing in the home of the child's parents or legal guardian or juvenile home but who, by direction of local school authorities and approval of the probate court, may be enrolled in school in another district shall not be counted as a tuition student but shall be counted in resident membership.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1

388.1516 American Indian children; additional allowance; effect of federal assistance.

Sec. 116. A district having American Indian children in attendance, who reside within the district and upon a United States government Indian reservation, shall be allowed in addition to the allowances provided by the other sections of this act an amount equal to the number of those children in attendance times 1/2 the tuition rate as computed under section 111 and in accordance with section 1401 of the school code of 1976. A district receiving federal assistance under the elementary and secondary education act, 20 U.S.C. 236 to 246, shall not share in the allowances under this section.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

388.1517 Charging legal amount of tuition as requirement for allotment or payment; effect of nonliability for payment of tuition; enrollment of nonresident pupils due to uncertainty as to boundaries.

Sec. 117. A district shall not be allotted or paid a sum under this act unless the district charges the legal amount of tuition for tuition pupils enrolled on the pupil membership count day of each year from the districts in which the tuition pupils reside and has certified that fact to the department. If no district is legally liable for the payment of the tuition and the tuition has not been collected from the parents or guardians of the tuition pupils on or before June 30 of each year, the number of those pupils shall be deducted from the membership of the district and the allowances as provided in section 21 shall be recomputed accordingly. A district which enrolls and educates pupils who are residents of another district due to uncertainty as to the boundary of a district, and which serves notice to the resident district where the pupils must attend school in subsequent school years, shall not forfeit state aid membership allowances or recalculate allowances under section 21.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

388.1518 Conditions for allotment or payment.

Sec. 118. A district shall not be allotted or paid a sum under this act after April 1 of each year unless that district pays the legal amount of tuition for tuition pupils on or before the date to the districts in which the tuition pupils are in school membership on the preceding pupil membership count day of each year and has certified that fact to the department.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

388.1519 Pupils living on federal land included in membership and considered tuition pupils.

Sec. 119. A pupil whose parents or guardians live on land in this state over which the federal government has taken exclusive jurisdiction and which has not been attached to a district for educational purposes may be included in

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membership by the district which the pupil attends, and for the purposes of this act is considered a tuition pupil.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

ARTICLE 12

388.1521 Valuation of district.

Sec. 121. The valuation of a whole or fractional district shall be the total state equalized valuation of a whole or fractional district shall be the total state equalized valuation of the property contained in the whole or fractional district as last fixed by the state tax commission.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

388.1522 Deducting valuation of property from valuation of district; condition; credit as lien; payment to school aid fund.

Sec. 122. The valuation of property assessed under Act No. 189 of the Public Acts of 1953, as amended, being sections 211.181 to 211.182 of the Michigan Compiled Laws, shall be deducted from the total valuation of a district if school taxes levied against the property are not collected from the lessee or user of the property. The credit so obtained by a district in the application of the formula provided in section 21 shall forever be a lien against the district and shall be paid by the district to the school aid fund when the taxes are collected.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

388.1524 Reducing valuation of district when taxes paid under protest; credit as lien; payment to school aid fund.

Sec. 124. When taxes levied for operating purposes against property constituting at least 10% of the valuation of a district are paid under protest and are thus unavailable to the district, the total valuation of the district for the purposes of this act shall be reduced by the valuation of the property. The credits so obtained by a district in the application of the formula provided in section 21 shall forever be a lien against the district and shall be paid by the district to the school aid fund when the taxes are collected.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

ARTICLE 13

388.1536 Advance payments to meet operating expenditures.

Sec. 136. If during the last 2 months of a fiscal year or during the first 6 months of a fiscal year, a district has insufficient funds on hand to meet the district's operating expenditures, the department, when proof of that need is furnished, may advance an amount to meet operating expenditures. Payment in the first instance shall not be greater than 1/4 of the total amount allotted to a district for the following school year under the terms of this act as near as can be determined when the advance payment is requested. Payment in the second instance shall not be greater than 2/5 of the total amount allotted to a district for the current school year under the terms of this act as near as can be determined when the advance payment is requested.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

ARTICLE 14

388.1543 Amount per pupil allocated to eligible districts; limitation.

Sec. 143. (1) From the amount appropriated in section 11, there shall be allocated to each eligible district the following amount per pupil:

(a) Add the following:

(i) 105% of the previous year's membership aid per pupil received under section 21(1).

(ii) 105% of the previous year's aid per pupil received under this section.

(iii) 105% of the product of the previous year's state equalized valuation per pupil and the 1975-76 millage levied for purposes included in the operation cost of the district as prescribed in section 1401 of the school code of 1976.

(b) From the sum obtained in subdivision (a), subtract the following:

(i) The current year's membership aid per pupil received under section 21(1) or the membership aid per pupil which would be due the district if the current year's formula were applied to the 1975-76 operating millage, whichever is greater.

(ii) The product of the current year's state equalized valuation per pupil and the 1975-76 operating millage levied.

(2) The purpose, use, and expenditure of aid received under this section shall be limited as if the funds were generated by ad valorem taxes levied for operating purposes.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

388.1544 Amount per membership pupil allocated to eligible intermediate districts; computation under §388.1546.

Sec. 144. From the amount appropriated in section 11, there shall be allocated to each eligible intermediate district an amount per membership pupil, utilizing the total number of pupils counted in membership in the intermediate district and its constituent districts, which amount shall be computed under section 146.

HISTORY: New 1977, p. —, Act 90, Eff. Oct. 1.

388.1546 Amount per pupil to be received by eligible intermediate district.

Sec. 146. (1) Each eligible intermediate district shall receive the following amount per pupil:

(a) Add the following:

(i) 105% of the previous year's aid per pupil received under section 56.

(ii) 105% of the previous year's aid per pupil received under this section.

(iii) 105% of the product of the previous year's state equalized valuation per pupil and the 1975-76 special education millage levied under sections 1722 to 1729 of the school code of 1976.

(b) From the sum obtained in subdivision (a), subtract the following:

(i) The current year's aid per pupil received under section 56 or the aid per pupil which would be due the intermediate district if the current year's section 56 formula were applied to the 1975-76 special education millage, whichever is greater.

(ii) The product of the current year's state equalized valuation per pupil and the 1975-76 special education millage levied.

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(2) The purpose, use, and expenditure of aid received under this section shall be limited as if the funds were generated by ad valorem taxes levied under sections 1722 to 1729 of the school code of 1976.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

ARTICLE 15

388.1551 Statement of state equalized valuation.

Sec. 151. Annually the treasurer of each county shall furnish to the department, before July 1 following the receipt of assessment rolls, a statement of the state equalized valuation of each district and fraction of a district within the county on forms furnished by the department.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

388.1552 Reports; salary schedule; statement.

Sec. 152. Before the first Monday in November of each year, each district shall furnish to the department those reports as the department considers necessary for the determination of the allotment of funds under this act. Each district employing 25 teachers or more shall furnish to the department a copy of the district's salary schedule and a statement to what extent the schedule is being observed.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

388.1553 Furnishing information to legislative fiscal agencies.

Sec. 153. Before the first Monday in November of each year, each district shall furnish to the legislative fiscal agencies of the state legislature information as the agencies shall require on forms prepared and furnished by the agencies, relative to the expenditure of funds appropriated under this act for the prior year.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

388.1554 Names and post-office addresses of treasurers, presidents, and secretaries of boards.

Sec. 154. The superintendent of each intermediate district between August 20 and August 30 of each year, and at any other time upon the request of the treasurer of the county, shall furnish to the county treasurer the names and post-office addresses of the treasurers and the presidents and secretaries of the boards of the constituent districts.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

388.1555 Certification as to nonresident pupils.

Sec. 155. The secretary of the board of each district enrolling nonresident pupils shall certify to the department on forms furnished by the department, the number of nonresident pupils enrolled in each grade on the pupil membership count day of each year, the districts in which the nonresident pupils reside, the amount of tuition charged for the current year, and other information required by the department.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

388.1556 Informing legislator of amounts to be received by certain school districts.

Sec. 156. The department shall inform, in writing, each legislator who so requests the amount of money each district in the legislator's legislative district

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will receive in the next state aid payment made under section 17 before the warrant is delivered.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

ARTICLE 16

388.1561 Unlawful conduct as misdemeanor; penalty.

Sec. 161. A school official or member of a board or other person who neglects or refuses to do or perform an act required by this act or who violates or knowingly permits or consents to the violation of this act, is guilty of a misdemeanor, punishable by imprisonment for not more than 90 days, or a fine of not more than \$500.00, or both.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

388.1562 Failure to file reports; forfeiture of funds.

Sec. 162. A district which fails through the negligence of the district's officers to file reports in accordance with article 15 shall forfeit that proportion of funds to which the district would otherwise be entitled under this act as the delay in the reports bear to the school term as required by law for the district.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

388.1563 Unqualified teachers; deduction; notice.

Sec. 163. As provided in the school code of 1976, the board of a district shall not permit an unqualified teacher to teach in a grade or department of the school. A district employing teachers not legally qualified shall have deducted the sum equal to 1/2 the amount paid the teachers. Each intermediate superintendent shall notify the department of the name of the unqualified teacher and the district employing the unqualified teacher and the amount of salary the unqualified teacher was paid within a constituent district.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

ARTICLE 17

388.1571 Repeal of §§388.1101 to 388.1279; certain references considered references to former act.

Sec. 171. (1) Act No. 258 of the Public Acts of 1972, as amended, being sections 388.1101 to 388.1279 of the Compiled Laws of 1970, is repealed.

(2) A reference to a section or subsection of this act applicable to a fiscal year ending on or before September 30, 1977, shall be considered a reference to the section, subsection, or provision of former Act No. 258 of the Public Acts of 1972, as amended, governing the same subject matter, as determined by the department.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

388.1572 Effective date.

Sec. 172. This act shall not take effect until October 1, 1977.

HISTORY: New 1977, p. ____ Act 90, Eff. Oct. 1.

Appendix B

Clarification of Direct and Indirect Cost Rates



DEPARTMENT OF EDUCATION

Lansing, Michigan 48909

PHILLIP E. RUNKEL
Superintendent
of Public Instruction

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Dear Intermediate Superintendent:

Bureau of the Budget Circular A-87 provides that federally assisted programs shall bear their fair share of indirect costs, except where restricted or prohibited by law. In addition, the Circular requires the recovery of these costs by use of a formula.

Recovery of indirect costs by the rate method does not extend federal participation in a particular grant. However, it does ease the accounting for such costs and relieve the necessity for direct identification of indirect costs with the program. State programs for which there is an allowance of indirect costs may use the rates established under these procedures.

Enclosed are the instructions for preparing the indirect cost rate form and a blank form DS-4524, the "Intermediate School District: Indirect Cost Rate Application for 1984-85," which must be completed to determine the approved restricted and unrestricted rates for your district. When the application is completed, it should be returned to Michigan Department of Education, Department Services, Box 30008, Lansing, Michigan 48909.

The only way in which to recover general administrative costs applicable to federal programs is through the use of the indirect cost rate. Your district should return the rate adjustment sheet by May 15, 1984. If you do not intend to use the rate, please so indicate and return the form.

If you have any questions, please write to Wallace Beggs, Program Control Unit, Department of Education, Box 30008, Lansing, Michigan 48909, or telephone 517/373-0424.

Sincerely,

Robert Homberger
Director
Department Services

RH/je
Enclosure

Department Services
Lansing, Michigan 48909

INDIRECT COST RATE APPLICATION INSTRUCTIONS
FOR INTERMEDIATE SCHOOL DISTRICTS

General

The indirect costs each program should bear are those costs not readily identified with or prorated to a specific program, but are incurred by the local educational agency for the joint benefit of all programs. The recovery of indirect costs incurred by a federally funded program must be accomplished by a rate which is usually the restricted rate. The use of indirect cost is allowable in those state programs which provide for the recovery of such costs usually through the unrestricted rate. During the budgeting process it must be remembered that use of the rate does not necessarily increase the amount of the grant.

Indirect costs are classified as restricted and unrestricted. Legislation governing certain federally funded programs requires that federal funds "supplement and in no case supplant" local efforts. For these restricted programs, this has been interpreted to mean that only the costs of district-wide activities, namely administration (including any typing and/or clerical salaries, contracted services, insurance expenses, and any supplies or other administrative expenses) and some data processing are eligible as indirect costs for rate computation purposes based on column B of the rate application.

In the case of cooperative projects, the rate to be used is that rate which has been approved for the district providing administrative services.

Any excess collection for indirect costs must be rebated to the federal or state funding source.

INSTRUCTIONS FOR PREPARING DS-4524

The indirect cost rate is based upon the Intermediate School District Financial Report, DS-4169. Because of the time required for closing of the books of account and auditing, the rate applicable to the current year is

computed from the second preceding year's financial report (i.e., the rate for use in 1984-85 will be based upon 1982-83 costs).

The Intermediate has two alternatives:

- (1) You may choose not to use a rate in 1984-85. (In this case complete Parts I and IV) (DS-4524).
- (2) Or you may choose to use a rate for 1984-85. (Selection of this alternative requires that you complete Parts II, III, IV, V, and VI of DS-4524).

Selection of either alternative should be indicated in Part I and returned by May 15, 1984 to the Michigan Department of Education, Department Services, Box 30008, Lansing, Michigan 48909.

Notification of the adjusted rate will be made by the Department.

If any of the positions outlined in "Attachment A" relate to both direct and indirect functions, the costs must be prorated between the two functions. Any proration must be documented by some representative time sample.

A new schedule has been added to verify the restricted costs. This schedule, Part III, should be completed in conjunction with Part II. Employees that are an allowable indirect cost should be listed, along with their primary work activity, and the related expenditures.

The instructions will be in two parts. The first part of the instructions will be a guide to distributing the costs to the direct cost and indirect cost columns. The second part will assist in computing the rates. Under no condition may costs included in the indirect cost pools Columns B and C be costs which were reimbursed by a federally funded program.

COST DISTRIBUTION

The following information is provided for guidance in distributing the Expenditures in Part II.

100 - Instruction

Cost under this activity center are entered in Column A.

231 - Board of Education

The cost of audit services may be recovered through the indirect cost rate. If this practice is followed, the total cost of audit of district records must be entered in Columns B and C.

232 - Assistant to the Superintendent

87

Reference should be made to Attachment A which lists the support service positions and their assignment to direct or indirect cost. Distribute the costs of support positions, including typing and clerical and other expenses the same as the administrator.

252 - Fiscal Services

These positions, and other necessary fiscal service expenses should be distributed to Columns B and C.

254 - Operation and Maintenance

Should be entered in Column A or C. Column A should include any charges to reimbursed programs or funds.

255 - Pupil Transportation

Costs under this major activity center should be entered in Column A.

259 - Other Business Services

The balance of costs that are recorded on this line should be entered in Column A.

262 - Salaries for Planning Research

The cost of these positions if they benefit federal and state categorical programs should be entered in Columns B and C. Exception: If an Intermediate School District wishes to direct charge its research costs to a given project or grant, then the total cost of research must be included in Column A.

264 - Salaries for the Personnel Office

The cost of these positions and their support costs, typing, clerical, and other administrative expense should be entered in Columns B and C.

266 - Data Processing

The amount to be entered in Columns B and C should be the cost of data processing applicable to the Intermediate School District only. Services performed to maintain the L.E.A.'s accounting and/or payroll system does not benefit the Intermediate School District's categorical programs, and is therefore unallowable. If data processing services are provided to other districts or organizations, this amount of time or money should be subtracted from the total expenditure on some prorated basis.

This classification of cost must be distributed to Columns A, B, and C to the same extent as the salaries that generated this expenditure. That is, if a bookkeeper's salary has been entered as an indirect cost, the insurance expense relating to that salary should be classified as an indirect cost.

290 - Other Support Service

The cost of these positions and their support costs must be classified as direct expense and entered in Column A.

Exception: If an eligible indirect cost position in the Support Services list is recorded in this account object, then that position and any related support costs may be entered in Columns B and C.

300s - Community Services

The cost of this major activity center is entered in Column A.

XXX - Capital Outlay

The expenditures in this cost classification are excluded from the rate computation. No distribution to Columns A, B, or C are allowable.

Food for Food Service

In many instances the cost of food is disproportionate to the indirect costs incurred for their administration. Therefore, HEW has allowed these costs to be excluded from the computation. The cost of the food used in the food service program is excluded from the rate computation. The remaining food service in the School Service Fund is distributed to Column A.

Trust and Agency Funds

This class of costs are excluded from the rate computation. No distribution is required.

RATE COMPUTATIONUnrestricted Rate

Transfer the total of Column C, page 1 to the numerator the ratio

(for unrestricted programs) on page 2 of DS-4524. Transfer 89
the total of Column A to the denominator of the ratio. Compute
the rate and express it as a percent to the nearest hundredth.

Restricted Rate

Transfer the total of Column B, page 1 to the numerator
of the ratio for restricted programs. For the denominator
of the ratio add Column A plus C and from the sum subtract
Column B and enter the result. Compute the rate and express
it as a percent to the nearest hundredth.

CENTRAL ADMINISTRATIVE POSITIONS

Direct

Indirect

Elementary Coordinator	1	General Operations
Director Guidance	1	Business Affairs
Athletic Director	1	Personnel
Instruction	1	Assistant Superintendent (General)
Elementary Education	1	Administrative Assistant
Vocational Technical	2	Director of Building & Grounds
Cafeterias	1	Elementary Business & Personnel
Pupil Personnel	1	Finance
Special Programs	3	Research
Fine Arts	1	Deputy Superintendent
Director Community Education	1	Controller
Outdoor Center	1	Finance & Accounting
Community School Coordinator	2	Building & Grounds
Consumer Education	1	Accountant
Instructional Materials	2	Physical Plant
Libraries	1	Purchasing Agent
Recreation	2	Facilities and Service
Human Relations	2	Maintenance
Elementary Consultant	3	Research and Development
Grant Programs	2	Ground Superintendent
Special Education	1	Budget and Purchasing
Curriculum	3	Research & Testing Service
Transportation	1	Employee Relations
Reading	2	School Plant Planning
Food Service	1	Purchasing & Supply Management
Director Music	3	Data Research Director
Title III	2	Custodial Services
Attendance Officer	1	Business & Finance
Legislation & Federal Projects	1	Office Manager
Associate Consultant	1	Business Administration
Audio Visual	1	Data Processing
Dean of College	1	Treasurer & Comptroller
Adult and Vocational Education	2	Engineering & Operations
Adult and Continuing Education	2	Plant Construction & Rehabilitation
Special Project Coordinator	3	Research & Evaluation
State-Federal Affairs	1	Buyer
Information Services	2	Operating Services
Publications and Parent Group Relations	1	Systems Programmer
Public Relations	1	Labor Relation
Information and Communication	3	Planner-Expediter
Community Relations		
Legal Services		
Superintendent		

Jim

Code - Path

Mary Beth

- 1 - Indirect Cost - Restricted and Unrestricted
- 2 - Indirect Cost - Unrestricted Only
- 3 - Direct or Indirect - Requirement to be indirect that there be benefits to grants and contracts

The major programs in which indirect costs are allowable and the appropriate rates are:

<u>PROGRAM</u>	<u>RATE</u>
<u>Federal</u>	
ECIA - Chapter 1	Restricted
ECIA - Chapter 2	Restricted
PL 94-142	Restricted
Vocational Education - Special Needs	Restricted
Adult Basic Education	Restricted
ESEA - Title I Handicapped	Restricted
National School Lunch	Unrestricted*
<u>State</u>	
Vocational Education - Added Cost (Section 61)	Unrestricted*
Vocational Education (Section 62)	Unrestricted*

* 15% Maximum

UNALLOWABLE COSTS

1. **Bad Debts** - Any losses arising from uncollectible accounts and other claims, and related costs, are unallowable.
2. **Contingencies** - Contributions to a contingency reserve or any similar provision for unforeseen events are unallowable.
3. **Contributions and Donations** - Unallowable.
4. **Entertainment** - Costs of amusements, social activities, and incidental costs relating thereto, such as meals, beverages, lodgings, rentals, transportation, and gratuities, are unallowable.
5. **Fines and Penalties** - Costs resulting from violations of, or failure to comply with Federal, State and Local laws and regulations are unallowable.
6. **Superintendent's Expense** - The salaries and expenses of the superintendent's office are considered a cost of the school district's chief executive and are generally unallowable. An exception is in effect for the fiscal year 1978-79 and the fiscal years thereafter. The Department of Health, Education and Welfare has interpreted the Federal regulations to include, as allowable indirect costs, those functions of the superintendent and the immediate office normally considered indirect but previously disallowed because of the position (superintendent). The superintendent and/or the immediate staff must actually perform the indirect cost activity such as bookkeeping, accounting, purchasing and identify and document the costs associated with that performance. Additionally, prorations must be supported by a representative time sample.
7. **Interest and Other Financial Costs** - Interest on borrowings (however represented), bond discounts, cost of financing and refinancing operations, and legal and professional fees paid in connection therewith, are unallowable.
8. **Underrecovery of costs under grant agreements** - Any excess of cost over the Federal contribution under one grant agreement is unallowable under other grant agreements.

Appendix C

1984-85 Valuations, Eaton County Intermediate

1984-85 Valuations
EATON INTERMEDIATE SCHOOL DISTRICT

Charlotte Public Schools

Benton Township	14,194,584
Brookfield Township	110,800.
Carmel Township	21,338,350.
Chester Township	12,543,645.
Eaton Township	31,882,224.
Eaton Rapids Township	1,125,583.
Kalamo Township	1,004,022.
Oneida Township	1,980,834.
Roxand Township	2,888,577.
Windsor Township	6,167,900.
City of Charlotte	66,638,600.
City of Potterville	69,500.

159,944,619.

Eaton Rapids Public Schools

Brookfield Township	6,440,671
Eaton Township	3,312,538.
Eaton Rapids Township	31,865,643.
Hamlin Township	24,526,050.
Windsor Township	11,850,000.
City of Eaton Rapids	34,994,800.
Aurelius Township	5,610,347.
Delhi Township	1,000,350.
Onondaga Township	6,842,993.

126,443,392.

Grand Ledge Public Schools

Benton Township	769,241.
Delta Township	138,026,100.
Oneida Township	37,279,183.
Roxand Township	13,182,666.
Windsor Township	727,600
City of Grand Ledge	51,055,449
Danby Township	1,859,400
Eagle Township	15,534,000
Riley Township	304,900.
Watertown Township	30,100,316.
Westphalia Township	1,924,740.

\$290,763,595.

Maple Valley Public Schools

Carmel Township	141,300.
Chester Township	4,669,111.
Kalamo Township	8,012,965.
Sunfield Township	4,370,475.
Vermontville Township	16,555,700.
Assyria Township	723,189.
Baltimore Township	200,973.
Castleton Township	15,196,000.
Hastings Township	32,097
Maple Grove Township	9,850,045.

\$ 59,751,855.

Potterville Public Schools

Benton Township	11,869,166.
Oneida Township	32,102.
Windsor Township	7,880,900.
City of Potterville	8,123,180.

\$27,905,348.

Oneida # 3 - Strange

1,262,183.

Roxand # 12 - Loucks

1,658,823.

Appendix D

Truth in Assessing and Truth in Taxation

TRUTH IN ASSESSING
AND
TRUTH IN TAXATION

There are several new statutes which affect assessment administration in 1982 and one which affects all taxing jurisdictions which levy more than one mill. The new statutes are as follows:

1981 P.A. 210 amended section 211.24c so that notices of assessment increases would show the 1981 state equalized valuation and the 1982 tentative equalized valuation.

1981 P.A. 213 amended section 211.34 so that a township or city would be restricted to an operating levy based on the local assessed valuation total rather than a full levy based on the state equalized valuation ("Truth in Assessing Act").

1982 P.A. 5 added section 211.24e which provides that in addition to the requirements of the open meetings act, the county, city, village, school district, township, etc. which levied more than one mill in 1981 would be required to advertise a meeting for the purpose of increasing property taxes ("Truth in Taxation Act").

The three new public acts are in addition to equalization by classification and the implementation of the Headlee constitutional amendment, section 211.34d of the Michigan Compiled Laws.

PURPOSES OF THE NEW PUBLIC ACTS

With several new acts to administer, it is necessary to study the purpose of each in order to be consistent in interpretation. A capsule statement of the purpose of each statute follows:

1981 P.A. 210 notifies the owner listed on the assessment roll (not the tax roll) that the 1982 assessed valuation of the property owned has increased over the assessed valuation approved by the board of review in 1981. The notice provides an opportunity for the owner to protest the assessment to the board of review. The notice also shows the tentative equalized valuation so the owner has an explanation of the actual increase in the tax base for the property. Inclusion of the equalized valuations is critical in locations which had large S.E.V. multipliers in 1981 and a factor of 1.0000 for 1982. In many of the communities, the percentage increase in equalized values is much less than the percentage increase in assessments.

1981 P.A. 213 restricts the township or city to a levy rate for operating purposes which will yield no more revenue on the total state equalized valuation of the township or city than the maximum authorized millage rate would have produced if levied on the total assessed valuation. School districts are not affected by this "rollback" and levies for debt retirement are not affected. Counties and villages are restricted to the revenue which would have resulted from levy of their maximum operating millage against the county equalized valuation total. There is a one year exception, for 1982, so that the section 211.34 rollback will not affect a township or city for which the total state equalized valuation exceeds the total assessed valuation by less than 5 percent. The constitutional limitation approved in 1978 also limits operating millage so the allowable millage rate equals the maximum authorized millage reduced by section 211.34d and also reduced by section 211.34. There is no provision for removal of the section 211.34 rollback other than by assessing property at the state equalized level.

1982 P.A. 5 requires that any local unit of government which levied more than 1 mill in 1981 shall either reduce its 1982 levy rate to compensate for an increased tax base or advertise its intention to increase property taxes. The governing body may then increase taxes by a vote of its members, provided that in no case can the levy rate exceed the allowable maximum rate which results from the compound reductions required by sections 211.34 and 211.34d.

Questions may arise which may require legislative clarification in the future. In the meantime the requirements in the new statutes must be carried out so as to fulfill their legislative intent.

MECHANICS OF THE ROLLBACKS

Truth in Taxation Rollback (1982 P.A. 5, Section 211.24e, Michigan Compiled Laws.)

The section 24e rollback affects every taxing jurisdiction that levied an operating tax rate in excess of 1 mill in the "concluding fiscal year", 1981. The section 34 rollback does not affect school districts.

The information needed to determine the base tax rate is the same as has been required to implement the Headlee constitutional limitation. Reports which will be filed by each assessing officer will be the source of assessed valuations. The county equalization directors will convert reported assessed valuations into state equalized valuations (SEV) by multiplying losses by the 1981 SEV multipliers and additions by the 1982 SEV multipliers. The assessing officers reports on form L-4025 for 1982 will list losses excluding transfer and also additions excluding transfers. Therefore, there will be no new reports required from assessors beyond those already required for section 211.34d, M.C.L.

Required information:

1. 1981 total state equalized valuation.
2. 1982 total state equalized valuation.
3. 1982 Losses S.E.V., without transfers to another classification.
4. 1982 Additions S.E.V., without transfers from another classification.

$$\text{Base Tax Rate Fraction} = \frac{1981 \text{ Total S.E.V.} - 1982 \text{ LOSSES S.E.V.}}{1982 \text{ Total S.E.V.} - 1982 \text{ ADDITIONS S.E.V.}} \quad 99$$

$$\text{Base Tax Rate} = 1981 \text{ Operating Rate} \times \frac{1981 \text{ Total S.E.V.} - 1982 \text{ LOSSES S.E.V.}}{1982 \text{ Total S.E.V.} - 1982 \text{ ADDITIONS S.E.V.}}$$

Exception:

If 1981 operating tax rate was 1 mill or less.

Note: 1982 P.A. 5 uses information from assessors and the county equalization director, but it impacts on the legislative body of each unit of local government.

Note: 1982 P.A. 5 is based on the rate actually levied in the concluding fiscal year whereas Headlee and 1981 P.A. 213 rollbacks are based on maximum authorized operating rates regardless of the rate which was actually levied in the preceding year.

Headlee Rollback (Constitutional Article 9, Section 31 and Section 211.34d, M.C.L.)

The millage limitation approved by the voters in 1978 has been in effect for 1979, 1980, 1981 and for 1982 authority to levy operating millages. The section 34d limitation does not affect the authority to levy taxes for bonded debt retirement or to levy ad valorem special assessments. Section 34d does limit allocated, separately limited, charter, and voted operating millages for all units of local government, including school districts.

The 1982 compound millage reduction fraction, MRF, is calculated as:

$$1982 \text{ compound MRF} = 1981 \text{ Compound MRF} \times 1982 \text{ MRF}$$

The compound MRF cannot exceed 1.0 for any year. The 1982 MRF can exceed 1.0.

The 1982 MRF is calculated as:

$$1982 \text{ MRF} = \frac{1981 \text{ Total SEV} \times 1.104 \text{ (USCPI)}}{1982 \text{ Total SEV} - \text{Additions SEV} + \text{Losses SEV}}$$

For a single unit of local government, the limitation caused by the compound millage reduction fraction may be removed by approval of the voters in that unit of local government. The section 34d limitation does not apply to millage approved after May 31 of the year in which it is first levied.

Truth in Assessment Rollback (1981 P.A. 213, Section 211.34, M.C.L.)

The section 211.34 rollback applies to counties and other taxing authorities other than school districts. For the county the rollback is based on the relationship between county equalized valuation, CEV, and state equalized valuation, SEV in the same manner as it has since 1976. The new impact from 1981 P.A. 213 affects townships and cities in 1982. The reduction fraction from section 211.34 and section 211.34d compound in their cumulative reduction of maximum

authorized operating millage.

The new section 211.34 reduction fraction is calculated only in a year when the total state equalized valuation of a township or city exceeds the total assessed valuation. In 1982 only, if the Total SEV divided by the Total Assessed Valuation, AV, is less than 1.05, the township or city does not apply the section 211.34 rollback.

The city or township section 211.34 rollback fraction is calculated as:

$$1982 \text{ Sec. 34 rollback fraction} = \frac{\text{Total Assessed Valuation}}{\text{Total State Equalized Valuation}}$$

$$\text{Allowable rate} = \frac{\text{Maximum Authorized Operating Rate} \times \text{Total Assessed Valuation}}{\text{Total State Equalized Valuation}}$$

Note: Rollback from both sections 211.34 and 211.34d compound. For example, if Sec. 34 rollback fraction is 0.5000, if Sec. 34d compound MRF is 0.8000, and if maximum authorized operating tax levy rate is 5 mills, the effect would be as follows:

$$5 \text{ mills} \times 0.8000 \times 0.5000 = 2.0000 \text{ mills allowable 1982 tax rate.}$$

Note: In the example above, the resulting 2.0000 mills operating tax levy rate can only be levied if it meets the qualifications for 1982 P.A. 5, Truth in Taxation.

Note: There is no escape from the rollback required by section 211.34 when the SEV exceeds the AV. The rollback can only be avoided by assessing at the state equalized level.

METHODS OF AVOIDING ROLLBACKS

Truth in Taxation (1982 P.A. 5)

Hold the public hearing of the governing body of the taxing unit as prescribed in 1982 P.A. 5, subsection (6) and approve the proposed additional millage rate as prescribed by subsection (8).

Each year is a new situation and is based on the actual operating tax levy rate from the immediately preceding tax year.

The proposed additional millage rate may also address extra voted operating millage which has not yet been approved by the electorate, provided that the notice for the public hearing is specific and that the agenda for the public hearing clearly addresses the fact that the millage also will require future approval of the voters before it may be levied (See subsection (10)).

Headlee (Section 211.34d, M.C.L.)

101

Approve one of the options in section 211.34d by vote of the electors in the taxing unit to reestablish compound millage reduction fraction.

Truth in Assessing (1981 P.A. 213)

There is no provision for avoiding the section 211.34 rollback except by creating assessments which equal the state equalized valuations.

In 1982 only there is a .5 percent margin of difference between SEV and AV before the rollback occurs.

EXAMPLES OF OPERATING TAX RATES (after sections 34d and 34 rollbacks)

School district has:

8.0 mills allocated
20.0 mills extra voted operating
2.0 mills building and site
2.743 mills debt reduction

28.0 mills are subject to 1982 PA 5

Township has:

1.0 mill allocated
3.0 mills highway fund
0.621 mills debt reduction

4.0 mills are subject to 1982 PA 5

Intermediate school district has:

0.20 mills allocated
1.50 mills voted for special education

1.70 mills are subject to 1982 PA 5

The Notice of Public Hearings shall contain the following information and shall be published in a newspaper of general circulation within the local unit of government or taxing unit. The notice shall be published not less than 6 days before the public hearing and may be included with the notice of public hearing on the units budget held pursuant to Act 43, P. A. of 1963 (2nd Extra Session).

1. The notice shall contain the name of the public body to which the notice applies, its telephone number if one exists and its address.
2. In addition to publishing requirements, the notice shall be posted at the principal office of the governmental unit.
3. Time, date, and place of the public hearing.
4. A statement indicating the proposed additional millage rate and the percentage by which the proposed additional millage rate would increase revenues for operating purposes from ad valorem property tax levies permitted without holding a hearing.
5. A statement that the taxing unit publishing the notice has complete authority to establish the number of mills to be levied from within its authorized millage rate.

Other Requirements:

The notice shall be in not less than 12-point type, shall be preceded by a headline stating "notice of a public hearing on increasing property taxes" which shall be in not less than 18-point type, shall be not less than 8 vertical column inches and 4 horizontal inches, and shall not be placed in that portion of the newspaper reserved for legal notice and classified advertisements.

The proposed additional millage rate, which is required to be part of the notice of the public hearing, shall be established by a resolution adopted by the governing body of the taxing unit before conducting the public hearing.

Not less than 7 days after a public hearing, a taxing unit may approve the levy of an additional millage rate, but shall not approve an additional millage rate which is greater than a proposed additional millage rate that was published and on which a public hearing has been held.

Each local unit shall send timely written notice of the time, date, and place of a public hearing to be held pursuant to this section to all newspapers of general circulation within the local unit.

_____, Michigan.

103

A _____ meeting of the Board of Education of said school district was held at _____ in said district on the _____ day of _____, 198____, at _____ o'clock, ____m.

The meeting was called to order by _____, President.

Present: Members

Absent: Members

The following preamble and resolution were offered by Member _____ and supported by Member _____;

WHEREAS, Act 5, Public Acts of Michigan, 1982, provides that without specific action taken by the Board of Education, the Board shall not levy ad valorem property taxes for operating purposes for the ensuing fiscal year which yields an amount more than the sum of the taxes levied at the base tax rate on additions within the school district for the ensuing fiscal year plus an amount equal to the taxes levied for operating purposes for the concluding fiscal year on existing property; and

WHEREAS, said Act 5 provides that the Board of Education may approve the levy of an additional millage rate, within its present authorized or proposed millage rate, only after providing certain notice to the public and holding a public hearing for the purpose of receiving testimony and discussing the levy of an additional millage rate for the ensuing fiscal year; and

WHEREAS, this Board of Education has been advised by the County Equalization Director that the _____ state equalized valuation for the 198____ tax year of property located within the school district is \$ _____; and

WHEREAS, Act 5, based upon the _____ state equalized valuation of the school district, would limit the district's operating tax levy to _____ mills; and

WHEREAS, this Board of Education, after careful examination of its estimated operating expenses for the 198____ fiscal year and estimated revenues based on _____ state equalized valuation, has determined that the best interests of the school district require the levy of the additional millage rate of _____ mills to provide sufficient revenue for the school district for operating purposes for the ensuing fiscal year;

1. This Board of Education, pursuant to said Act 5, proposes a tentative levy of not to exceed _____ mills for operating purposes in 198__ which includes an additional millage rate of _____ mills.

2. A public hearing shall be held on _____, 198__ at _____ o'clock __.m. at _____ for the purpose of receiving testimony and discussing the levy of an additional millage rate for the 198__-8__ fiscal year.

3. The Secretary of the Board of Education is hereby authorized and directed to publish notice of such public hearing, said notice to be substantially in the form of attached Exhibit A, in a newspaper of general circulation within the school district. The notice shall be published not less than six (6) days before the public hearing and shall comply with all requirements of said Act 5.

4. The Secretary of the Board of Education is hereby authorized and directed to send timely written notice of the time, date, and place of the public hearing to all newspapers of general circulation within the school district.

5. The Secretary of the Board of Education shall post notice of the public hearing in compliance with the Michigan Open Meetings Act.

Ayes: Members

Nays: Members

Motion declared adopted.

Secretary, Board of Education

I, the undersigned, Secretary of the Board of Education, _____, Michigan, do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of Education _____, Michigan, at its _____ meeting held on _____, 198__, the original of which is part of the Board's minutes.

Secretary, Board of Education

**NOTICE OF A PUBLIC HEARING
ON INCREASING PROPERTY TAXES¹**

PLEASE TAKE NOTICE that on _____, 1982, at _____ o'clock ____ .m. at _____ the Board of Education of _____ will hold a public hearing on the levying in 1982 of an additional proposed millage rate of _____ mills for operating purposes pursuant to Act 5, Public Acts of Michigan, 1982.

The Board of Education has the complete authority to establish that _____ mills be levied in 1982 from within its present authorized millage rate. [or, where the hearing is to be held prior to a millage election, use the following:

The Board of Education has the complete authority to establish that _____ mills be levied in 1982 if an election proposal of _____ mills receives a favorable vote.]

The maximum additional proposed millage rate would increase revenues for operating purposes from ad valorem property tax levies in 1982 otherwise permitted by Act 5, Public Acts of Michigan, 1982, by _____ percent (____ %).

[The figure for increase in revenue for operating purposes is based on the latest estimate of state equalized valuation of property located within the school district. State equalized valuation will not be finalized until after the fourth Monday in May. In the event that state equalized valuation as finalized is for any reason higher than the estimate used for this hearing, the Board of Education must hold another public hearing before levying millage on any higher valuation.]

(The board may insert any other pertinent information ie. impact, if any, on Section 21(1) membership state aid.)

The purpose of the hearing is to receive testimony and discuss the levy of an additional millage rate. Not less than seven (7) days following the public hearing, the Board of Education may approve all or any portion of the proposed additional millage rate.

This notice is given by order of the Board of Education.

_____, Secretary

¹ heading language (required by statute) must be at least 18 point type.

² this paragraph for use only when SEV has not yet been finally established.

³ body of notice must be at least 12 point type.

⁴ notice must be at least 4 inches wide.

⁵ notice must be at least 8 inches long.

Appendix E

A Manual of Suggested Budgeting Procedures
From the Michigan Department of Education

STATE OF MICHIGAN
DEPARTMENT OF EDUCATION

A MANUAL OF SUGGESTED
BUDGETING PROCEDURES

UNIFORM BUDGETING AND ACCOUNTING
P.A. 621 OF 1978

September 1, 1980

UNIFORM BUDGETING AND ACCOUNTING COMMITTEE

Dave Disler	Williamston Community Schools
Edmund Grant	Oakland Schools
Jack Hamm	Warren Consolidated Schools
Pearl Holforty	Plante & Moran
Paul Wartner	Portage Public Schools
Marageane Zodtner	Troy School District
Robert Hornberger	Department of Education
Ralph Meyer	Department of Education

The efforts and assistance of these committee persons were invaluable in the development of the manual.

(P.A. 621)

The provisions of Public Act 621 become effective for school districts for the school year beginning after December 31, 1980. The boards of education and the school district administrators should become familiar with the act and review in depth their procedures to determine what changes will be necessary for compliance.

The manual provides information for the implementation of the act, for an appropriation resolution and supplementary forms. Suggested formats are provided with this manual for school districts to use as models.

The following major revenue categories and expenditure functions constitute the minimal levels of appropriation for the general fund, at the local school districts and for general fund, special education fund, area vocational-technical education fund and the cooperative education fund at the intermediate school districts:

Revenue

Local

Intermediate

State

Federal

Incoming Transfers and Other Transactions

Expenditures

Instruction:

Basic Programs

Added Needs

Adult and Continuing

Unclassified

Instruction-Employee Benefits

Support Services:

Pupil

Instructional Staff

General Administration

School Administration

Business

Central

Other

Support Services-Employee Benefits

Community Services

Capital Outlay

Outgoing Transfers and Other Transactions

The following revenue and expenditure categories constitute the 110 minimal level of appropriations for the issues of the debt retirement fund by school districts:

Revenue

Local Sources

Property Tax

Other Local Sources

State Sources

Federal Sources

Incoming Transfers and Other Transactions

Expenditures

Redemption of Principal

Interest on Debt

Other Expense

Outgoing Transfers and Other Transactions

The superintendent as the chief administrative officer of a local school district or intermediate school district is responsible for budget preparation and budget presentation to the school board of the district and for the control of expenditures as presented in the budget and the general appropriations act. In the case of local school districts which do not employ a superintendent, the elected or appointed official who prepares and administers the budget shall act as the chief administrative officer of such a district.

The superintendent of the school district may assign the duty of preparation and administration of the budget to a fiscal officer, such as a controller, a finance director or a business manager; or to an elected or appointed official for such purpose.

There must be a budget for the general fund, the special education fund, the area vocational-technical education fund, the cooperative education fund and the debt retirement fund where appropriate to the type of school district. An informational summary of projected revenues and expenditures for the building and site fund and the school service fund must be prepared if the school district uses these funds.

The superintendent shall furnish the school district board of education information the board requires for proper consideration of the recommended budget. The budget must include revenue and expenditure information for the most recently completed fiscal year, for the current fiscal year and the ensuing fiscal year. The amount of surplus or deficit accumulated from prior fiscal years and an estimate of surplus or deficit expected at the end of the current fiscal year should be included as a part of the budget projection. (See Exhibits 1 and 2).

Informational summaries should be provided for each capital construction project. The informational summary should include total cost; proposed method of financing; projected annual operating costs; and the method of financing the operating costs. (See Exhibit 4). Sufficient information should be furnished to satisfy the school boards' needs as they relate to capital expenditures made out of the general fund.

An informational summary should be provided for the school service fund which includes the revenues and expenditures for the school lunch program, the interscholastic athletic program and the bookstore operation, if appropriate.

The budgets projected are subject to the provisions of Section 102 of Act No. 90 of the Public Acts of 1977, as amended, or by other law. It shall be consistent with the uniform chart of accounts prescribed for local school districts and intermediate school districts, Bulletin 1022 (Revised).

The local school board shall pass a general appropriation resolution for the general fund and the debt retirement fund. The intermediate school district board shall enact a general appropriation for the general fund, the special education fund, the area vocational-technical fund, the cooperative fund and the debt retirement fund. (See Exhibit 3). Deviations from an original appropriation shall not be made without amending the appropriation.

When it is determined that the actual and probable revenues from taxes and other sources in a fund are less than the estimated revenues, including available fund balances upon which appropriations from the fund were based, the superintendent shall recommend to the board of education a plan to prevent expenditures from exceeding available revenues for the current fiscal year. (See Exhibit 5).

The superintendent of the school district shall not incur an expenditure against any specific appropriation in excess of the amount authorized by the board of education unless specified in the appropriation. (See Exhibit 6).

An expenditure shall not be incurred except in pursuance of the authority and appropriations of the school board.

GENERAL FUND
 DETAIL BUDGET PROJECTION
 FOR FISCAL YEAR ENDING JUNE 30

	Actual 1979-80 (1)	Estimated 1980-81 (2)	Estimated 1981-82 (3)
REVENUES:			
Local Sources	\$	\$	\$
State Sources			
Federal Sources			
TOTAL REVENUES			
INCOMING TRANSFERS AND OTHER TRANSACTIONS			
TOTAL REVENUES, INCOMING TRANSFERS AND OTHER TRANSACTIONS			
EXPENDITURES:			
INSTRUCTION EXPENSE			
Basic Program			
Added Needs			
Adult and Continuing			
Unclassified			
Instruction-Employee Benefits			
SUPPORT SERVICES			
Pupil			
Instructional Staff			
General Administration			
School Administration			
Business			
Central			
Other			
Support Services-Employee Benefits			
COMMUNITY SERVICES			
CAPITAL OUTLAY			
TOTAL EXPENDITURES			
OUTGOING TRANSFERS AND OTHER TRANSACTIONS			
TOTAL APPROPRIATED			
EXCESS REVENUE (APPROPRIATIONS)			
FUND BALANCE, JULY 1			
FUND BALANCE, JUNE 30	\$	\$	\$

DEBT RETIREMENT FUND
 DETAIL BUDGET PROJECTION
 FOR FISCAL YEAR ENDING JUNE 30

	Actual 1979-80 (1)	Estimated 1980-81 (2)	Estimate 1981-82 (3)
REVENUES:			
Property Tax Levy	\$	\$	\$
Other Revenue from Local Sources			
TOTAL REVENUE FROM LOCAL SOURCES			
TOTAL REVENUE FROM INTERMEDIATE SOURCES			
TOTAL REVENUE FROM STATE SOURCES			
TOTAL REVENUE FROM FEDERAL SOURCES			
TOTAL REVENUE			
INCOMING TRANSFERS AND OTHER TRANSACTIONS			
TOTAL REVENUES, INCOMING TRANSFERS AND OTHER TRANSACTIONS			
EXPENDITURES:			
Redemption of Principal			
Interest on Debt			
Miscellaneous			
TOTAL EXPENDITURES			
OUTGOING TRANSFERS AND OTHER TRANSACTIONS			
TOTAL APPROPRIATED			
EXCESS REVENUE (APPROPRIATIONS)			
FUND BALANCE, JULY 1			
FUND BALANCE, JUNE 30	\$	\$	\$

RESOLUTION FOR ADOPTION BY THE BOARD
OF EDUCATION OF (SCHOOL DISTRICT)

RESOLVED, that this resolution shall be the general appropriations
of (school district) for the fiscal year _____: A resolution to make
appropriations; to provide for the expenditure of the appropriations;
and to provide for the disposition of all income received by (school
district).

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriations in the general fund of the school district for fiscal year _____ is as follows:

Revenue	
Local	\$ _____
Intermediate	
State	
Federal	
Incoming Transfers and Other Transactions	_____
Total Revenue	
Fund Balance, July 1	\$ _____
Less Appropriated Fund Balance	_____
Fund Balance Available to Appropriate	_____
Total Available to Appropriate	\$ _____

BE IT FURTHER RESOLVED, that \$ _____ of the total available to appropriate in the general fund is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures	
Instruction:	
Basic Programs	\$ _____
Added Needs	
Adult and Continuing	
Unclassified	
Instruction-Employee Benefits	
Support Services:	
Pupil	
Instructional Staff	
General Administration	
School Administration	
Business	
Central	
Other	
Support Services-Employee Benefits	
Community Services	
Capital Outlay	
Outgoing Transfers and Other Transactions	_____
Total Appropriated	\$ _____

NOTE: The expenditures should be listed in the amount of detail which represents the level at which the board of education intends to control expenditures. If the level of control is at the functional level, the captions shown above would be the appropriate amount of detail. (If the board intends to control expenditures for some or all of the functional classifications at a greater level of detail, such detail should be included above.) Instead of listing the amounts in the body of the resolution, reference may be made to a listing in an addendum; however, such an addendum must be in the intended amount of detail and must be physically attached to the official minutes. Listing amounts in the resolution and making reference to amounts in an addendum are alternative, and under no circumstances should a resolution have both. Such action would make the appropriation defective because a question would exist as to the level of control which would govern expenditures.

NOTE: A resolution will also be necessary for the debt retirement fund.

The funds that need not be included in an appropriation resolution are the trust or agency, the school service, and building and site funds.

Intermediate school districts should include the vocational-technical education fund, special education fund, and the cooperative fund in addition to the general fund and debt retirement fund.

FURTHER RESOLVED, that no board of education member or employee of the school district shall expend any funds or obligate the expenditure of any funds except pursuant to appropriations made by the board of education and in keeping with the budgetary policy statement hitherto adopted by the board. Changes in the amount appropriated by the board shall require approval by the board.

BE IT FURTHER RESOLVED, that the (title of administrator) is hereby charged with general supervision of the execution of the budget adopted by the board and shall hold the department heads responsible for

performance of their responsibilities within the amounts appropriated by the board of education and in keeping with the budgetary policy statement hitherto adopted by the board.

NOTE: The superintendent, as the chief administrative officer, is responsible for the control of expenditures under the budget. If the local district does not employ a superintendent, the elected or appointed official shall be designated by the Board to act as the chief administrative officer to administer the appropriation.

This appropriation resolution is to take effect on July 1, (year).

SUMMARY OF CAPITAL CONSTRUCTION PROJECTS IN PROGRESS
(All Funds)

<u>Project Description</u>	<u>Financing Source</u>	<u>Date Appvd.</u>	<u>Estimated Cost</u>		<u>Expend. to Date</u>	<u>Estimated Outlay</u>			<u>Additional Estimated Operating Costs</u>				
			<u>Original</u>	<u>Amended</u>		<u>Next Year</u>	<u>19XX</u>	<u>19XX</u>	<u>After</u>	<u>Finance Source</u>	<u>Next Year</u>	<u>19XX</u>	<u>19XX</u>

Resolution for Adoption by the Board of
Education of (School District)

Resolved, that the general appropriation for (school district)
for the fiscal year _____ is amended as follows:

NOTE: The extent of amendment will be governed by the circumstances. The level of financial detail should be consistent with the original appropriation, i.e. if the original appropriation, and the related budgetary policy of the school district, establish control at a category level, the amendment should be at a category level. As required by the Uniform Budgeting and Accounting Act, the amendment must state the purpose of each change as well as the amount.

This resolution shall take immediate effect.

NOTE: Deviation from the general appropriation cannot be made without an amendment.

(GENERAL APPROPRIATION)
(OTHER OPTIONAL PROVISIONS)

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BE IT FURTHER RESOLVED, that, for purposes of meeting emergency needs of the school district, transfers of appropriations (state the type of transfer) may be made upon the written authorization of the (superintendent, fiscal officer or other board designated individual), (add reference to budget policy if details of authority are covered therein), but no other transfers shall be made without approval by the board of education. When the (superintendent, fiscal officer or other board designated individual) makes a transfer of appropriations as permitted by this resolution, such transfer shall be presented to the board of education at its next regularly scheduled meeting in the form of an appropriation amendment, which amendment shall be adopted by the board of education at such meeting.

NOTE: This section may be written with dollar or percentage limits also.

BE IT FURTHER RESOLVED, that the number of authorized positions (Budget Exhibit) shall not be increased or changed without the approval of the board of education.

NOTE: Can be used when a board wishes to restrict any hiring without approval.

BE IT FURTHER RESOLVED, that the (superintendent, fiscal officer or other board designated individual) shall allot the appropriations (i.e. quarterly) for the (object or other designation).

NOTE: Can be used where allotments are advisable for control by the administration. This allows for cutbacks in some areas in the last part of the year, if necessiated by overruns in other areas or an underrealization of revenue.

- Appropriated Fund Balance - the result of a board action to segregate ¹²¹ fund balance for a specific purpose without a charge to an expenditure account.
- Budget - plan of financial operation for a given period of time
- Capital Outlay - an expenditure which results in the acquisition of, or addition to, fixed assets.
- Chief Administrative Officer - the superintendent of a local school district or an intermediate school district or if the school district does not have a superintendent, the person having general administrative control of the school district.
- Deficit - excess of liabilities and reserves over assets.
- Expenditure - the cost of goods delivered or services rendered whether paid or unpaid.
- Fiscal Officer - the controller, finance director, business manager or other elected or appointed official who prepares and administers the budget of a local school district or intermediate school district.
- Fund Balance - excess of assets over liabilities and reserves.
- General Appropriation Resolution - the budget as adopted by the legislative body.
- Legislative Body - the board of education of a local school district or an intermediate school district.
- Reserve - an amount of a grant set aside to liquidate an encumbrance which is properly chargeable to a federal program (Reserve for Obligations - Federal).
- Revenue - addition to the assets of a fund which does not increase a liability, does not represent a recovery of an expenditure and does not represent the cancellation of a liability without a corresponding increase in any other liability or a decrease in assets
- School District - a local school district or an intermediate school district.
- School Fiscal Year - July 1 through June 30.

Appendix F

Public Meetings Act

PUBLIC MEETINGS

Act 261, 1968. p. 480; Eff. Nov. 15

An Act to require that meetings of the governing bodies of political subdivisions and of certain authorities and other agencies performing essential governmental functions shall be open to the public.

The People of the State of Michigan enact

15.251 Public agency meetings: definitions. (M.S.A. 4.1800 (1))

Sec. 1. As used in this act:

(1) "Board means the board of supervisors of any county, the council of any city or village, the board of trustees of any township, the board of education of any school district, the governing body of any state-supported or partially supported college or university, or the board, commission or other governing body of any state or municipal authority or department created by law which has for its purpose the performance of an essential governmental function.

(2) "Public Meeting" means that part of any meeting of a board during which it votes upon any ordinance, resolution, motion or other official action proposed by or to the board dealing with the receipt, borrowing or disbursement of funds or the acquisition, use or disposal of services or of any supplies, materials, equipment or other property or the fixing of personal or property rights, privileges, immunities, duties or obligations of any person or group of persons. The term "public meeting" shall not mean any meeting, the publication of the facts concerning which would disclose the institution, progress or result of an investigation undertaken by a board in the performance of its official duties.

15.252 Open meetings required. (M.S.A. 4.1800 (2))

Sec. 2. Every public meeting of a board shall be open to the public.

15.253 Public meetings; notice. (M.S.A. 4.1800 (3))

Sec. 3. Every board shall hold all public meetings at specified times and places, of which public notice shall be given. Public notice of the schedule of regular meetings shall be given once for each calendar or fiscal year, and shall show the regular dates and times for meetings and the place at which meetings are held. Public notice of each special meeting and of each re-scheduled regular or special meeting shall be given of the date, time and place of each meeting. Public notice shall be given by posting a copy of the notice prominently at the principal office of the body holding the meeting or at the public building in which the meeting is to be held, or by publishing the notice once in a newspaper of general circulation in the political subdivision where the meeting will be held, at least 3 days prior to the time of the first regularly scheduled meeting in the case of regular meetings, and at least

12 hours prior to the time of the meeting in the case of special or re-scheduled meetings. The board holding any meeting shall supply, on request, copies of the public notice thereof to any newspaper of general circulation in the political subdivision in which the meeting will be held and to any radio station which regularly broadcasts into the political subdivision.

SCHOOL CODE REQUIREMENTS FOR REGULAR AND SPECIAL BOARD MEETINGS

PRIMARY SCHOOL DISTRICTS
(Section 28)

1. No specific requirement for regular meetings.
2. Meetings called by any member by serving on other members a written notice of time and place of such meeting at least 24 hours before the meeting is to take place.
3. Majority of members of board at a legal meeting necessary for the transaction of business.
4. Meeting at which all members are present without notice is legal meeting for transaction of business.

FOURTH CLASS SCHOOL DISTRICTS
(Section 63)

1. One regular meeting on the second Monday of each month at time and place to be determined by board and no notice of meeting required if hour, date and place is fixed by resolution of board and placed on records of secretary.
2. Special meetings may be called by president or any 2 members by serving written notice on other members by
 - (1) delivering the notice to board members personally,
 - (2) leaving notice at each member's residence with some person of the household at least 24 hours before special meeting is to take place, or
 - (3) depositing notice in government mail receptacle enclosed in sealed envelope plainly addressed to member at his last known residence address at least 72 hours before special meeting is to take place.

THIRD CLASS SCHOOL DISTRICTS
(Section III)

1. One regular meeting on second Monday of each month, or at such other times as may be resolution be provided.
2. Special meetings called and held as provided by by-laws.

SECOND CLASS SCHOOL DISTRICTS
(Section 156)

1. Regular meetings held at least once in each month.
2. Special meetings called and held in manner provided in by-laws.

FIRST CLASS SCHOOL DISTRICTS
(Section 194)

1. Regular meetings held at least once in each month.
2. Spedial meetings called and held in manner provided in by-laws.

Appendix G

Major Internship Prospectus for 1984-85 Year

MAJOR INTERNSHIP PROSPECTUS 1984-85 SCHOOL YEAR

Intern: Lanny R. Johnston

Sponsoring Organization: Eaton Intermediate School District

Field Supervisor: Mr. Stephen Hayden, Superintendent

University: Western Michigan University

University Supervisor: Dr. Ken Dickie

Major Focus of Experience: A general review of the wide variety of duties and responsibilities of the Michigan Intermediate School District Superintendent.

Duration: 240 hours of concentrated work with Superintendent

Rationale:

Effective leadership is a working blend of active human/interpersonal skills, clearly defined and specific technical skills, and strong conceptual skills that are constantly intertwined and overlapping from situation to situation. Without the ability to accomplish this, today's leader will suffer continual frustration, ineffectiveness and possible total failure and defeat. This intern expects to gain an insight into the routine activities of a recognized and successful superintendent. Because of the specific position of this educational leader, an Intermediate School District Superintendent, the insight made available will take a somewhat unique direction. Although there are many skills, duties, and responsibilities common to all educational superintendents, the Intermediate School District Superintendent must be conversant in all three major areas of education -- General Education, Special Education, and Vocational Education. It is this requirement that will

provide this intern with a broad base of educational leadership and management skills not available in the Local School District setting. Given this training and exposure, a more rational decision relative to the next hierarchal occupational career move will be made based on the skills and knowledge obtained. Given these skills and knowledges, those working for and/or with this intern should benefit, as well as the educational environment for those affected student populations should be of higher level relative to delivery and outcome.

PROPOSED PLAN FOR EDUCATIONAL LEADERSHIP SPECIALIST DEGREE

Lanny R. Johnston

- GOAL AREAS:
1. Financial responsibilities and decision areas.
 2. Intermediate School District student transportation concerns and solutions.
 3. The role of the Intermediate School District Superintendent in State and/or Federal legislative education circles.
 4. Personnel hiring/firing/job role definition/contractual obligations at the Intermediate School District level.
 5. Legal concerns of the Intermediate School District relative to staff and various student populations.
 6. Educational obligations of Intermediate School District and basic philosophy.

HUMAN SKILLS TO BE DEVELOPED:

1. Personal interaction
2. Negotiation
3. Personal responding
4. Verbal communication
5. Written communication
6. Listening
7. Interpretive
8. Personal attentive
9. Reactionary
10. Expressionary
11. Attentive
12. Patience

TECHNICAL SKILLS TO BE DEVELOPED:

1. Written
2. Speaking
3. Recordkeeping
4. Budgetary design
5. Budgetary interpretation
6. Legal interpretation and explanation
7. Transportation scheduling

8. Public relations delivery
9. Hierarchal format design
10. Staff contract preparation

CONCEPTUAL SKILLS TO BE DEVELOPED:

1. Financial forecasting
2. Proposal needs identification
3. Overall district-wide philosophy design
4. Maximizing use of staff talents
5. Millage vote issues
6. Coordination of Local School philosophies into one
7. Assessment of best use of available resources
8. Integration of General Education, Special Education, and Vocational Education into one delivery
9. Future educational trends/areas of emphasis

ANTICIPATED TIME PERIOD FOR COMPLETION:

Starting Date: August, 1984
Ending Date: May, 1985

Hours of Involvement Per Month:

August	10	January	30
September	20	February	30
October	20	March	30
November	30	April	30
December	20	May	20
	<u>100</u>	+	<u>140</u> = 240

DESCRIPTION OF PROPOSED TRAINING SITE:

Location: Eaton Intermediate School District
1790 East Packard Highway
Charlotte, Michigan 48813
(517) 543-5500

Supervisor: Mr. Stephen Hayden, Superintendent

Major Functions and Directions of Proposed Training Site:

- * Provide educational support services not otherwise available to affiliated Local School Districts
- * Provide leadership in the area of cooperative purchasing, program delivery, educational staffing
- * Coordinate inter-district student transportation

- * Blend the three major educational bodies -- General Education, Special Education, Vocational Education -- into one system equitably available to all affiliated Local School Districts 132
- * Acting as the liason agency between the State, Federal, and Local School Districts in the areas of reports, proposals, communication, legal issues, etc.

SPECIALIST DEGREE EXPECTATION WORKSHEET

Lanny Johnston :- October, 1984

Goal	Objectives	Products
1. Financial responsibilities and decision areas.	<p>(Human)</p> <p>A. Work with budget personnel concerning program/department budgets.</p> <p>B. Communicate with MDE concerning ISD budgetary concerns.</p> <p>C. Learn to incorporate department heads into budget design.</p> <p>D. Develop communication technique for budget explanation to community and staff.</p> <p>E. Learn to meet budget requests of audit committee.</p> <p>F. Learn to communicate budget information to schoolboard.</p>	<p>A. Know how to design a program/department budget.</p> <p>B. Understand guidelines of State.</p> <p>C. Gather relative data from appropriate sources.</p> <p>D. Able to give accurate budget presentation.</p> <p>E. Pass audit of prepared budget with minimal revision.</p> <p>F. Able to present budget to schoolboard for approval</p>
	<p>(Technical)</p> <p>A. Develop a personal budget design technique.</p> <p>B. Develop a budget recordkeeping technique.</p> <p>C. Learn technique for meeting needs of budget audit committee relative to checks and balances.</p> <p>D. Follow state educational budget guidelines and timelines.</p>	<p>A. Design a department and/or program budget.</p> <p>B. Design a program budget recording form.</p> <p>C. Define a checks and balances system.</p> <p>D. Able to prepare a budget on time as per guidelines.</p>

SPECIALIST DEGREE EXPECTATION WORKSHEET

Lanny Johnston -:- October, 1984

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Goal	Objectives	Products
<p>1. Financial responsibilities cont.</p>	<p>(Conceptual)</p> <p>A. Develop personal budgeting philosophy in accordance with MDE and legal guidelines</p> <p>B. Understand need for checks and balances system.</p> <p>C. Gain understanding of categorical funding.</p> <p>D. Understand millage appropriation process.</p> <p>E. Be able to distinguish difference between "in formula" and "out formula" districts.</p>	<p>A. Prepare a definition of personal budget philosophy.</p> <p>B. Prepare explanation of workable checks and balances system.</p> <p>C. Be able to categorize the incoming funds to the ISD.</p> <p>D. Determine funds available to ISD through millage appropriation.</p> <p>E. Define an "in formula" district. Define an "out of formula" district. Determine status of each local district within ISD.</p>
<p>2. Intermediate School District Transportation</p>	<p>(Human)</p> <p>A. Develop communication link with local school district transportation personnel</p> <p>B. Attend district-wide transportation planning meetings.</p> <p>C. Learn to delegate direct transportation responsibility to ISD staff person/s.</p> <p>(Technical)</p> <p>A. Coordinate workable transportation routing plan.</p>	<p>A. A more cooperative working relationship.</p> <p>B. Comprehensive understanding of total ISD student transportation planning.</p> <p>C. Clear picture of who is best suited to handle ISD student trans. supervision</p> <p>A. A schedule of planned student transportation routing.</p>

SPECIALIST DEGREE EXPECTATION WORKSHEET

Lanny Johnston :- October, 1984

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Goal	Objectives	Products
<p>2. ISD Transportation continued</p>	<p>B. Provide input relative to total concerns of each component within ISD.</p> <p>C. Devise plan to meet local, state, and federal guidelines relative to liability (Conceptual)</p> <p>A. Understand total needs of ISD relative to each student population.</p> <p>B. Prioritize a plan to maintain a dependable transportation system.</p> <p>C. Understand the financial concerns of ISD and each local school district relative to student transportation. (Human)</p>	<p>B. Consolidated input from local schools, ISD, General Ed. Special Ed., ISD Vocational Ed.</p> <p>C. A clear definition of ISD transportation liability concerns.</p> <p>A. Ability to consider total ISD population when developing transportation plans.</p> <p>B. A formalized transportation plan on file.</p> <p>C. Knowledge and understanding of financial considerations.</p>
<p>3. The role of the Intermediate School District Superintendent in State and/or Federal legislative education circles.</p>	<p>A. Observe the interaction of the ISD Superintendent with the appropriate legislative personnel.</p> <p>B. Communicate areas of interest with appropriate state personnel. (Technical)</p> <p>A. Prepare a list of influential legislative people who support education.</p> <p>B. Identify those educational supporters who have specific educational interests</p>	<p>A. Awareness of who to talk to and why.</p> <p>B. Personal visibility with influential legislative personnel.</p> <p>A. Knowledge of who does what and how to contact them.</p> <p>B. Categorized listing of influential and educationally supportive personnel.</p>

SPECIALIST DEGREE EXPECTATION WORKSHEET

Lanny Johnston :- October, 1984

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Goal	Objectives	Products
<p>3. Role of the Intermediate School District Superintendent in State and/or Federal legislative education circles continued....</p>	<p>C. Discuss specific communication and cooperative techniques that appear to create positive results.</p> <p style="text-align: center;">(Conceptual)</p> <p>A. Identify how and why specific legislative personnel can assist an ISD.</p> <p>B. Identify common philosophical concerns of legislative personnel regarding active support of education.</p> <p>C. Identify those ISD concepts that are mandated and those that are suggested as operational deliveries.</p> <p style="text-align: center;">(Human)</p>	<p>C. Developed personal communication techniques.</p> <p>A. Conceptual awareness of legislative assistance that may be available.</p> <p>B. Self concept that affects personal effectiveness with legislative personnel.</p> <p>C. Accurate understanding and acceptance of what is law and what is local policy.</p>
<p>4. Personnel hiring/firing job role definition/contractual obligations at the Intermediate School District level.</p>	<p>A. Develop personal people skills relative to appropriate handling of staff.</p> <p>B. Observe specific personnel situations as they are handled within this ISD.</p> <p>C. Develop own specific communication techniques relative to this job role.</p>	<p>A. A cooperative and effective working relationship with staff.</p> <p>B. Awareness of a variety of personnel techniques.</p> <p>C. A personal communication delivery that is generally effective.</p>

SPECIALIST DEGREE EXPECTATION WORKSHEET

Lanny Johnston -:- October, 1984

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Goal	Objectives	Products
<p>4. Personnel hiring/firing job role definition/contractual obligations continued...</p>	<p>(Technical)</p> <p>A. Develop personnel job descriptions for ISD staff.</p> <p>B. Handle specific employer/employee complaints within ISD policy guidelines</p> <p>C. Develop interactional delivery with hierarchal levels above and below self.</p> <p>D. Observe ISD contract negotiation process.</p> <p>(Conceptual)</p> <p>A. Decide on own philosophy relative to employee relations.</p> <p>B. Identify own belief system and personal standards/values relative to acceptable employment hours, days, holidays, etc.</p> <p>C. Develop a conceptual understanding of the negotiation process.</p>	<p>A. Documented listing of specific job descriptions.</p> <p>B. A consistent mode of operation within ISD policy guidelines.</p> <p>C. Ability to function within defined job role.</p> <p>D. Awareness of effective negotiation techniques.</p>
<p>5. Legal concerns of the Intermediate School District relative to staff and various student populations.</p>	<p>(Human)</p> <p>A. Gain an understanding of how specific legal issues impact specific populations.</p> <p>B. Discuss personal interpretations of legal issues for clarification and definition.</p>	<p>A. Understanding of the legal impact on the ISD components.</p> <p>B. Clear definition of specific and current legal educational issues.</p>

SPECIALIST DEGREE EXPECTATION WORKSHEET

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Goal	Objectives	Products
<p>5. Legal concerns of the Intermediate School District continued...</p>	<p>C. Gain an understanding of the difference between State and Federal legal issues.</p> <p>(Technical)</p> <p>A. Meet with appropriate personnel to clarify understanding of specific ISD policies.</p> <p>B. Interpret employment contract to those staff persons needing same.</p> <p>C. Discuss school law with appropriate, legally competent personnel.</p> <p>D. Learn to interpret legal terminology accurately.</p> <p>(Conceptual)</p> <p>A. Understand basic premise of basic school law guidelines.</p> <p>B. Understand the need for school law to be sensitive to all staff and student populations.</p> <p>C. Develop own personal convictions relative to functioning within the school laws.</p>	<p>C. Understand the difference between the relationships of the Federal and State governments with the ISD.</p> <p>A. Accurate definition of specific ISD policies.</p> <p>B. Accurate working knowledge of ISD personnel employment contract.</p> <p>C. Awareness of where ISD Superintendent gets legal support and advice.</p> <p>D. Clear understanding of common legal terms and issues.</p> <p>A. Knowledge and understanding of the necessity of educational law.</p> <p>B. A people-centered understanding of educational law.</p> <p>C. Personal commitment to acceptance of the need for consistent and effective school law.</p>

SPECIALIST DEGREE EXPECTATION WORKSHEET

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Goal	Objectives	Products
<p>6. Educational obligations of Intermediate School District and basic philosophy.</p>	<p>(Human)</p> <p>A. Implement a student-centered approach toward personal job role.</p> <p>B. Function within a cooperative attitude environment.</p> <p>C. Develop an open communication environment with those staff persons within the ISD work environment.</p> <p>(Technical)</p> <p>A. Clarify specific ISD policies to staff as needed.</p> <p>B. Correlate active ISD philosophy with appropriate ISD policy.</p> <p>C. Identify those specific Schoolboard directed obligations of the ISD.</p> <p>(Conceptual)</p> <p>A. Conceptualize the process of internal assessment relative to successful attainment of identified obligations.</p> <p>B. Visualize how each specific ISD obligation relates to another and the total</p> <p>C. Develop a flowchart that defines the obligations of those departments within the ISD.</p> <p>D. Develop a flowchart that defines the staff assignments within the ISD.</p>	<p>A. A personal commitment to student-centered administration.</p> <p>B. A personal commitment to cooperation within the work environment.</p> <p>C. A personal commitment to an open door means of administrative delivery.</p> <p>A. A working and accurate knowledge of ISD policies.</p> <p>B. Ability to integrate ISD philosophies and policies.</p> <p>C. A personal commitment to meet those obligations delegated as necessary.</p> <p>A. A plan to assess the delivery of effort to meet those delegated obligations of the ISD.</p> <p>B. Clear understanding of the inner workings of the ISD.</p> <p>C. A completed hierarchal work assignment flowchart for the ISD.</p> <p>D. A completed hierarchal staff assign-</p>

Appendix H

Adjustment of Specialist Internship Goals

TO: Dr. Ken Dickie
FROM: Lanny Johnston
DATE: January 15, 1985
REF: Adjustment of Specialist Internship Goals

As you suspected, my goals were too many and too time consuming to fit into a 240 hour internship. So, in keeping with your advice/suggestion, the time has come for me to readjust. There appears to be no time left for me to complete all of my identified goals. With that in mind, please accept this adjustment:

- Goal 1: Financial responsibilities and decision areas. (will complete)
- Goal 2: I.S.D. student transportation concerns and solutions. (will not complete)
- Goal 3: The role of the I.S.D. Superintendent in State and Federal legislative circles. (will complete)
- Goal 4: Personnel hiring/firing/job role definition/contractual obligations at the I.S.D. level. (will complete)
- Goal 5: Legal concerns of the I.S.D. relative to staff and various student populations.(will not complete)
- Goal 6: Educational obligations of I.S.D. and basic philosophy. (will complete)
- Goal 7: Hierarchal structure with explanation. (will complete)

I hope this is satisfactory. Please be advised that I am also intending to make a comparison of local school and I.S.D. superintendent job roles based on personal interview data.

Appendix I

Internship Summary Paper Prospectus

EDUCATIONAL LEADERSHIP SPECIALIST DEGREE

Internship Summary Paper Prospectus

Lanny R. Johnston

Problem: "A clarification of the job role for the Intermediate School District Superintendent in Michigan".

The confusion of defined job roles at this level of the educational hierarchy in Michigan can, and is, somewhat overwhelming to those climbing that specific career ladder. Without a clear and accurate understanding of each, the decision to make an occupational move may become impossible.

Purpose/Outcomes: This internship activity has been developed and/or designed to provide the maximum opportunity for personal/professional development in the areas of "concept, technical, and human relations skills". Given this opportunity, the following personal skills and knowledge will evolve.

In the area of "conceptual formation", this intern will begin to develop those skills necessary to function and administrate this office in a way that takes the total element into consideration.

Those "technical skills" learned during this internship will assist in the development of an effective, productive, consistent, accurate, and budget conscious educational leader.

Any "human relations skills" that prevail in the effective management of people will become obvious during this internship. Not only will the need to develop these skills to the appropriate level of effective implementation become obvious, so will the seriousness of knowing and understanding those people who report to this administrative position. The development of the "human relations skills" relative to the role of the Educational Superintendent is most important to this intern's potential for occupational success.

Appendix J

A Time Table Log of Specialist Degree
Internship Topic Areas

A TIME TABLE LOG OF
SPECIALIST DEGREE INTERNSHIP TOPIC AREAS

Starting Date: August 1984

Ending Date: February 1985

Total Time Spent: 250 Hours

Topic Breakdown of Time:

Hierarchal Structure	=	Approximately 15 hours
Educational Philosophy	=	Approximately 40 hours
Personnel Management	=	Approximately 40 hours
Legislative Activities	=	Approximately 25 hours
Finance and Budget	=	Approximately 100 hours
Superintendency Differences	=	Approximately 30 hours

Final Internship Meeting:
April 24, 1985

Eaton Intermediate School District Offices, Dr. Ken Dickie,
Superintendent Stephen Hayden, Intern Lanny Johnston

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