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## SENATE BILL No. 675

November 30, 2017, Introduced by Senator YOUNG and referred to the Committee on Education.

A bill to amend 1976 PA 451, entitled "The revised school code,"

by amending sections 503c, 504a, 523c, 525, 553c, 557, and 1311h (MCL 380.503c, 380.504a, 380.523c, 380.525, 380.553c, 380.557, and 380.1311h), sections 503c, 523c, and 553c as added by 2011 PA 277, section 504a as amended and section 525 as added by 2003 PA 179, section 557 as added by 2009 PA 205, and section 1311h as amended by 2012 PA 620.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 503c. (1) Beginning with management agreements described in this section that are entered into or renewed after the effective date of this section, MARCH 28, 2012, if the board of directors of a public school academy enters into or renews a management agreement with an educational management organization to carry out the operations of the public school academy, both of the

- 1 following apply:
- 2 (a) The management agreement shall require the educational
- 3 management organization to provide to the board of directors at
- 4 least annually all of the same information that a school district
- 5 is required to disclose under section 18(2) of the state school aid
- 6 act of 1979, MCL 388.1618, for the most recent school fiscal year
- 7 for which that information is available.
- 8 (b) Within 30 days after receiving the information under
- 9 subdivision (a), the board of directors shall make all of the
- 10 information it receives under subdivision (a) available through a
- 11 link on the public school academy's website homepage, in a form and
- 12 manner prescribed by the department.
- 13 (2) IN ADDITION TO THE REQUIREMENTS UNDER SUBSECTION (1),
- 14 BEGINNING WITH MANAGEMENT AGREEMENTS DESCRIBED IN THIS SECTION THAT
- 15 ARE ENTERED INTO OR RENEWED AFTER THE EFFECTIVE DATE OF THE
- 16 AMENDATORY ACT THAT ADDED THIS SUBSECTION, IF THE BOARD OF
- 17 DIRECTORS OF A PUBLIC SCHOOL ACADEMY ENTERS INTO OR RENEWS A
- 18 MANAGEMENT AGREEMENT WITH AN EDUCATIONAL MANAGEMENT ORGANIZATION TO
- 19 CARRY OUT THE OPERATIONS OF THE PUBLIC SCHOOL ACADEMY, ALL OF THE
- 20 FOLLOWING APPLY:
- 21 (A) THE MANAGEMENT AGREEMENT SHALL REQUIRE THE EDUCATIONAL
- 22 MANAGEMENT ORGANIZATION TO PROVIDE TO THE BOARD OF DIRECTORS, AT
- 23 LEAST ANNUALLY, AUDITED FINANCIAL STATEMENTS FOR THE EDUCATIONAL
- 24 MANAGEMENT ORGANIZATION THAT DISCLOSE THE SPECIFIC FINANCIAL
- 25 EXPENDITURES OF THE MONEY RECEIVED BY THE EDUCATIONAL MANAGEMENT
- 26 ORGANIZATION UNDER THE MANAGEMENT AGREEMENT.
- 27 (B) THE MANAGEMENT AGREEMENT SHALL REQUIRE THE EDUCATIONAL

- 1 MANAGEMENT ORGANIZATION TO PROVIDE TO THE BOARD OF DIRECTORS, FOR
- 2 EACH EMPLOYEE, OFFICER, OR BOARD MEMBER OF THE EDUCATIONAL
- 3 MANAGEMENT ORGANIZATION WHOSE COMPENSATION EXCEEDS \$100,000.00 PER
- 4 YEAR, A LIST PROVIDING A DESCRIPTION AND COST OF EACH FRINGE
- 5 BENEFIT THAT IS INCLUDED IN THE INDIVIDUAL'S COMPENSATION PACKAGE.
- 6 (C) WITHIN 30 DAYS AFTER RECEIVING THE INFORMATION UNDER
- 7 SUBDIVISIONS (A) AND (B), THE BOARD OF DIRECTORS SHALL MAKE ALL OF
- 8 THE INFORMATION IT RECEIVES UNDER SUBDIVISIONS (A) AND (B) AND THE
- 9 MANAGEMENT AGREEMENT AVAILABLE THROUGH A LINK ON THE PUBLIC SCHOOL
- 10 ACADEMY'S WEBSITE HOMEPAGE, IN A FORM AND MANNER PRESCRIBED BY THE
- 11 DEPARTMENT.
- 12 (3)  $\frac{(2)}{}$  As used in this section:
- 13 (a) "Educational management organization" means an entity that
- 14 enters into a management agreement with a public school academy.
- 15 (b) "Entity" means a partnership, nonprofit or business
- 16 corporation, or any other association, corporation, trust, or other
- 17 legal entity.
- 18 (c) "Management agreement" means an agreement to provide
- 19 comprehensive educational, administrative, management, or
- 20 instructional services or staff to a public school academy.
- (d) "School fiscal year" means the period that begins July 1
- and ends June 30.
- 23 Sec. 504a. In addition to other powers set forth in this part,
- 24 a public school academy may take action to carry out the purposes
- 25 for which it was incorporated under this part, including, but not
- 26 limited to, all of the following:
- 27 (a) To sue and be sued in its name.

- 1 (b) Subject to section 503b, to acquire, hold, and own in its
- 2 own name real and personal property, or interests in real or
- 3 personal property, for educational purposes by purchase, gift,
- 4 grant, devise, bequest, lease, sublease, installment purchase
- 5 agreement, land contract, option, or condemnation, and subject to
- 6 mortgages, security interests, or other liens; and to sell or
- 7 convey the property as the interests of the public school academy
- 8 require.
- 9 (c) To receive, disburse, and pledge funds for lawful
- 10 purposes.
- 11 (d) To enter into binding legal agreements with persons or
- 12 entities as necessary for the operation, management, financing, and
- 13 maintenance of the public school academy, IF THE AGREEMENT IS IN
- 14 COMPLIANCE WITH SECTIONS 7 AND 18 OF THE STATE SCHOOL AID ACT OF
- 15 1979, MCL 388.1607 AND 388.1618.
- 16 (e) To incur temporary debt in accordance with section 1225.
- 17 (f) To solicit and accept any grants or gifts for educational
- 18 purposes and to establish or permit to be established on its behalf
- 19 1 or more nonprofit corporations the purpose of which is to assist
- 20 the public school academy in the furtherance of its public
- 21 purposes.
- 22 (g) To borrow money and issue bonds in accordance with section
- 23 1351a and in accordance with part VI of the revised municipal
- 24 finance act, 2001 PA 34, MCL 141.2601 to 141.2613, except that the
- 25 borrowing of money and issuance of bonds by a public school academy
- 26 is not subject to section 1351a(4) or section 1351(2) to (4). Bonds
- 27 issued under this section shall be full faith and credit

- 1 obligations of the public school academy, pledging the general
- 2 funds or any other money available for such a purpose. Bonds issued
- 3 under this section are subject to the revised municipal finance
- 4 act, 2001 PA 34, MCL 141.2101 to 141.2821.
- 5 Sec. 523c. (1) Beginning with management agreements described
- 6 in this section that are entered into or renewed after the
- 7 effective date of this section, MARCH 28, 2012, if the board of
- 8 directors of an urban high school academy enters into or renews a
- 9 management agreement with an educational management organization to
- 10 carry out the operations of the urban high school academy, both of
- the following apply:
- 12 (a) The management agreement shall require the educational
- 13 management organization to provide to the board of directors at
- 14 least annually all of the same information that a school district
- 15 is required to disclose under section 18(2) of the state school aid
- 16 act of 1979, MCL 388.1618, for the most recent school fiscal year
- 17 for which that information is available.
- 18 (b) Within 30 days after receiving the information under
- 19 subdivision (a), the board of directors shall make all of the
- 20 information it receives under subdivision (a) available through a
- 21 link on the urban high school academy's website homepage, in a form
- 22 and manner prescribed by the department.
- 23 (2) IN ADDITION TO THE REQUIREMENTS UNDER SUBSECTION (1),
- 24 BEGINNING WITH MANAGEMENT AGREEMENTS DESCRIBED IN THIS SECTION THAT
- 25 ARE ENTERED INTO OR RENEWED AFTER THE EFFECTIVE DATE OF THE
- 26 AMENDATORY ACT THAT ADDED THIS SUBSECTION, IF THE BOARD OF
- 27 DIRECTORS OF AN URBAN HIGH SCHOOL ACADEMY ENTERS INTO OR RENEWS A

- 1 MANAGEMENT AGREEMENT WITH AN EDUCATIONAL MANAGEMENT ORGANIZATION TO
- 2 CARRY OUT THE OPERATIONS OF THE URBAN HIGH SCHOOL ACADEMY, ALL OF
- 3 THE FOLLOWING APPLY:
- 4 (A) THE MANAGEMENT AGREEMENT SHALL REQUIRE THE EDUCATIONAL
- 5 MANAGEMENT ORGANIZATION TO PROVIDE TO THE BOARD OF DIRECTORS, AT
- 6 LEAST ANNUALLY, AUDITED FINANCIAL STATEMENTS FOR THE EDUCATIONAL
- 7 MANAGEMENT ORGANIZATION THAT DISCLOSE THE SPECIFIC FINANCIAL
- 8 EXPENDITURES OF THE MONEY RECEIVED BY THE EDUCATIONAL MANAGEMENT
- 9 ORGANIZATION UNDER THE MANAGEMENT AGREEMENT.
- 10 (B) THE MANAGEMENT AGREEMENT SHALL REQUIRE THE EDUCATIONAL
- 11 MANAGEMENT ORGANIZATION TO PROVIDE TO THE BOARD OF DIRECTORS, FOR
- 12 EACH EMPLOYEE, OFFICER, OR BOARD MEMBER OF THE EDUCATIONAL
- 13 MANAGEMENT ORGANIZATION WHOSE COMPENSATION EXCEEDS \$100,000.00 PER
- 14 YEAR, A LIST PROVIDING A DESCRIPTION AND COST OF EACH FRINGE
- 15 BENEFIT THAT IS INCLUDED IN THE INDIVIDUAL'S COMPENSATION PACKAGE.
- 16 (C) WITHIN 30 DAYS AFTER RECEIVING THE INFORMATION UNDER
- 17 SUBDIVISIONS (A) AND (B), THE BOARD OF DIRECTORS SHALL MAKE ALL OF
- 18 THE INFORMATION IT RECEIVES UNDER SUBDIVISIONS (A) AND (B) AND THE
- 19 MANAGEMENT AGREEMENT AVAILABLE THROUGH A LINK ON THE URBAN HIGH
- 20 SCHOOL ACADEMY'S WEBSITE HOMEPAGE, IN A FORM AND MANNER PRESCRIBED
- 21 BY THE DEPARTMENT.
- 22 (3)  $\frac{(2)}{}$  As used in this section:
- 23 (a) "Educational management organization" means an entity that
- 24 enters into a management agreement with an urban high school
- 25 academy.
- 26 (b) "Entity" means a partnership, nonprofit or business
- 27 corporation, or any other association, corporation, trust, or other

- 1 legal entity.
- 2 (c) "Management agreement" means an agreement to provide
- 3 comprehensive educational, administrative, management, or
- 4 instructional services or staff to an urban high school academy.
- 5 (d) "School fiscal year" means the period that begins July 1
- 6 and ends June 30.
- 7 Sec. 525. In addition to other powers set forth in this part,
- 8 an urban high school academy may take action to carry out the
- 9 purposes for which it was incorporated under this part, including,
- 10 but not limited to, all of the following:
- 11 (a) To sue and be sued in its name.
- 12 (b) Subject to section 523a, to acquire, hold, and own in its
- 13 own name real and personal property, or interests in real or
- 14 personal property, for educational purposes by purchase, gift,
- 15 grant, devise, bequest, lease, sublease, installment purchase
- 16 agreement, land contract, option, or condemnation, and subject to
- 17 mortgages, security interests, or other liens; and to sell or
- 18 convey the property as the interests of the urban high school
- 19 academy require.
- 20 (c) To receive, disburse, and pledge funds for lawful
- 21 purposes.
- 22 (d) To enter into binding legal agreements with persons or
- 23 entities as necessary for the operation, management, financing, and
- 24 maintenance of the urban high school academy, IF THE AGREEMENT IS
- 25 IN COMPLIANCE WITH SECTIONS 7 AND 18 OF THE STATE SCHOOL AID ACT OF
- 26 1979, MCL 388.1607 AND 388.1618.
- (e) To incur temporary debt in accordance with section 1225.

- 1 (f) To solicit and accept any grants or gifts for educational
- 2 purposes and to establish or permit to be established on its behalf
- 3 1 or more nonprofit corporations the purpose of which is to assist
- 4 the urban high school academy in the furtherance of its public
- 5 purposes.
- 6 (g) To borrow money and issue bonds in accordance with section
- 7 1351a and in accordance with part VI of the revised municipal
- 8 finance act, 2001 PA 34, MCL 141.2601 to 141.2613, except that the
- 9 borrowing of money and issuance of bonds by an urban high school
- 10 academy are not subject to section 1351a(4) or section 1351(2) to
- 11 (4). Bonds issued under this section shall be full faith and credit
- 12 obligations of the urban high school academy, pledging the general
- 13 funds or any other money available for such a purpose. Bonds issued
- 14 under this section are subject to the revised municipal finance
- 15 act, 2001 PA 34, MCL 141.2101 to 141.2821.
- Sec. 553c. (1) Beginning with management agreements described
- 17 in this section that are entered into or renewed after the
- 18 effective date of this section, MARCH 28, 2012, if the board of
- 19 directors of a school of excellence enters into or renews a
- 20 management agreement with an educational management organization to
- 21 carry out the operations of the school of excellence, both of the
- 22 following apply:
- 23 (a) The management agreement shall require the educational
- 24 management organization to provide to the board of directors at
- 25 least annually all the same information that a school district is
- 26 required to disclose under section 18(2) of the state school aid
- 27 act of 1979, MCL 388.1618, for the most recent school fiscal year

- 1 for which that information is available.
- 2 (b) Within 30 days after receiving the information under
- 3 subdivision (a), the board of directors shall make all of the
- 4 information it receives under subdivision (a) available through a
- 5 link on the school of excellence's website homepage, in a form and
- 6 manner prescribed by the department.
- 7 (2) IN ADDITION TO THE REQUIREMENTS UNDER SUBSECTION (1),
- 8 BEGINNING WITH MANAGEMENT AGREEMENTS DESCRIBED IN THIS SECTION THAT
- 9 ARE ENTERED INTO OR RENEWED AFTER THE EFFECTIVE DATE OF THE
- 10 AMENDATORY ACT THAT ADDED THIS SUBSECTION, IF THE BOARD OF
- 11 DIRECTORS OF A SCHOOL OF EXCELLENCE ENTERS INTO OR RENEWS A
- 12 MANAGEMENT AGREEMENT WITH AN EDUCATIONAL MANAGEMENT ORGANIZATION TO
- 13 CARRY OUT THE OPERATIONS OF THE SCHOOL OF EXCELLENCE, ALL OF THE
- 14 FOLLOWING APPLY:
- 15 (A) THE MANAGEMENT AGREEMENT SHALL REQUIRE THE EDUCATIONAL
- 16 MANAGEMENT ORGANIZATION TO PROVIDE TO THE BOARD OF DIRECTORS, AT
- 17 LEAST ANNUALLY, AUDITED FINANCIAL STATEMENTS FOR THE EDUCATIONAL
- 18 MANAGEMENT ORGANIZATION THAT DISCLOSE THE SPECIFIC FINANCIAL
- 19 EXPENDITURES OF THE MONEY RECEIVED BY THE EDUCATIONAL MANAGEMENT
- 20 ORGANIZATION UNDER THE MANAGEMENT AGREEMENT.
- 21 (B) THE MANAGEMENT AGREEMENT SHALL REQUIRE THE EDUCATIONAL
- 22 MANAGEMENT ORGANIZATION TO PROVIDE TO THE BOARD OF DIRECTORS, FOR
- 23 EACH EMPLOYEE, OFFICER, OR BOARD MEMBER OF THE EDUCATIONAL
- 24 MANAGEMENT ORGANIZATION WHOSE COMPENSATION EXCEEDS \$100,000.00 PER
- 25 YEAR, A LIST PROVIDING A DESCRIPTION AND COST OF EACH FRINGE
- 26 BENEFIT THAT IS INCLUDED IN THE INDIVIDUAL'S COMPENSATION PACKAGE.
- 27 (C) WITHIN 30 DAYS AFTER RECEIVING THE INFORMATION UNDER

- 1 SUBDIVISIONS (A) AND (B), THE BOARD OF DIRECTORS SHALL MAKE ALL OF
- 2 THE INFORMATION IT RECEIVES UNDER SUBDIVISIONS (A) AND (B) AND THE
- 3 MANAGEMENT AGREEMENT AVAILABLE THROUGH A LINK ON THE SCHOOL OF
- 4 EXCELLENCE'S WEBSITE HOMEPAGE, IN A FORM AND MANNER PRESCRIBED BY
- 5 THE DEPARTMENT.
- 6 (3)  $\frac{(2)}{}$  As used in this section:
- 7 (a) "Educational management organization" means an entity that
- 8 enters into a management agreement with a school of excellence.
- 9 (b) "Entity" means a partnership, nonprofit or business
- 10 corporation, or any other association, corporation, trust, or other
- 11 legal entity.
- 12 (c) "Management agreement" means an agreement to provide
- 13 comprehensive educational, administrative, management, or
- 14 instructional services or staff to a school of excellence.
- 15 (d) "School fiscal year" means the period that begins July 1
- 16 and ends June 30.
- 17 Sec. 557. In addition to other powers set forth in this part,
- 18 a school of excellence may take action to carry out the purposes
- 19 for which it was incorporated under this part, including, but not
- 20 limited to, all of the following:
- 21 (a) To sue and be sued in its name.
- 22 (b) Subject to section 555, to acquire, hold, and own in its
- 23 own name real and personal property, or interests in real or
- 24 personal property, for educational purposes by purchase, gift,
- 25 grant, devise, bequest, lease, sublease, installment purchase
- 26 agreement, land contract, option, or condemnation, and subject to
- 27 mortgages, security interests, or other liens; and to sell or

- 1 convey the property as the interests of the school of excellence
- 2 require.
- 3 (c) To receive, disburse, and pledge funds for lawful
- 4 purposes.
- 5 (d) To enter into binding legal agreements with persons or
- 6 entities as necessary for the operation, management, financing, and
- 7 maintenance of the school of excellence, IF THE AGREEMENT IS IN
- 8 COMPLIANCE WITH SECTIONS 7 AND 18 OF THE STATE SCHOOL AID ACT OF
- 9 1979, MCL 388.1607 AND 388.1618.
- 10 (e) To incur temporary debt in accordance with section 1225.
- 11 (f) To solicit and accept any grants or gifts for educational
- 12 purposes and to establish or permit to be established on its behalf
- 13 1 or more nonprofit corporations the purpose of which is to assist
- 14 the school of excellence in the furtherance of its public purposes.
- 15 (q) To borrow money and issue bonds in accordance with section
- 16 1351a and in accordance with part VI of the revised municipal
- 17 finance act, 2001 PA 34, MCL 141.2601 to 141.2613, except that the
- 18 borrowing of money and issuance of bonds by a school of excellence
- 19 is not subject to section 1351a(4) or section 1351(2) to (4). Bonds
- 20 issued under this section shall be full faith and credit
- 21 obligations of the school of excellence, pledging the general funds
- 22 or any other money available for such a purpose. Bonds issued under
- 23 this section are subject to the revised municipal finance act, 2001
- 24 PA 34, MCL 141.2101 to 141.2821.
- Sec. 1311h. (1) In addition to other powers set forth in
- 26 sections 1311b to 1311l, 1311M, a strict discipline academy may
- 27 take action to carry out the purposes for which it was incorporated

- 1 under sections 1311b to <del>1311l,</del> **1311M,** including, but not limited
- 2 to, all of the following:
- 3 (a) To sue and be sued in its name.
- 4 (b) To acquire, hold, and own in its own name real and
- 5 personal property, or interests in real or personal property, for
- 6 educational purposes by purchase, gift, grant, devise, bequest,
- 7 lease, sublease, installment purchase agreement, land contract,
- 8 option, or condemnation, and subject to mortgages, security
- 9 interests, or other liens; and to sell or convey the property as
- 10 the interests of the strict discipline academy require.
- 11 (c) To receive and disburse funds for lawful purposes.
- 12 (d) To-SUBJECT TO SUBSECTIONS (2) AND (3), TO enter into
- 13 binding legal agreements with persons or entities as necessary for
- 14 the operation, management, financing, and maintenance of the strict
- 15 discipline academy, IF THE AGREEMENT IS IN COMPLIANCE WITH SECTIONS
- 16 7 AND 18 OF THE STATE SCHOOL AID ACT OF 1979, MCL 388.1607 AND
- 17 388.1618.
- 18 (e) To incur temporary debt in accordance with section 1225.
- 19 (f) To solicit and accept any grants or gifts for educational
- 20 purposes and to establish or permit to be established on its behalf
- 21 1 or more nonprofit corporations the purpose of which is to assist
- 22 the strict discipline academy in the furtherance of its public
- 23 purposes.
- 24 (q) To borrow money and issue bonds in accordance with section
- 25 1351a and in accordance with part VI of the revised municipal
- 26 finance act, 2001 PA 34, MCL 141.2601 to 141.2613, except that the
- 27 borrowing of money and issuance of bonds by a strict discipline

- 1 academy is not subject to section 1351a(4) or section 1351(2) to
- 2 (4). Bonds issued under this section shall be full faith and credit
- 3 obligations of the strict discipline academy, pledging the general
- 4 funds or any other money available for such a purpose. Bonds issued
- 5 under this section are subject to the revised municipal finance
- 6 act, 2001 PA 34, MCL 141.2101 to 141.2821.
- 7 (2) BEGINNING WITH MANAGEMENT AGREEMENTS THAT ARE ENTERED INTO
- 8 OR RENEWED AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT
- 9 ADDED THIS SUBSECTION, IF THE BOARD OF DIRECTORS OF A STRICT
- 10 DISCIPLINE ACADEMY ENTERS INTO OR RENEWS A MANAGEMENT AGREEMENT
- 11 WITH AN EDUCATIONAL MANAGEMENT ORGANIZATION TO CARRY OUT THE
- 12 OPERATIONS OF THE STRICT DISCIPLINE ACADEMY, BOTH OF THE FOLLOWING
- 13 APPLY:
- 14 (A) THE MANAGEMENT AGREEMENT SHALL REQUIRE THE EDUCATIONAL
- 15 MANAGEMENT ORGANIZATION TO PROVIDE TO THE BOARD OF DIRECTORS AT
- 16 LEAST ANNUALLY ALL THE SAME INFORMATION THAT A SCHOOL DISTRICT IS
- 17 REQUIRED TO DISCLOSE UNDER SECTION 18(2) OF THE STATE SCHOOL AID
- 18 ACT OF 1979, MCL 388.1618, FOR THE MOST RECENT SCHOOL FISCAL YEAR
- 19 FOR WHICH THAT INFORMATION IS AVAILABLE.
- 20 (B) WITHIN 30 DAYS AFTER RECEIVING THE INFORMATION UNDER
- 21 SUBDIVISION (A), THE BOARD OF DIRECTORS SHALL MAKE ALL OF THE
- 22 INFORMATION IT RECEIVES UNDER SUBDIVISION (A) AVAILABLE THROUGH A
- 23 LINK ON THE STRICT DISCIPLINE ACADEMY'S WEBSITE HOMEPAGE, IN A FORM
- 24 AND MANNER PRESCRIBED BY THE DEPARTMENT.
- 25 (3) BEGINNING WITH MANAGEMENT AGREEMENTS THAT ARE ENTERED INTO
- 26 OR RENEWED AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT
- 27 ADDED THIS SUBSECTION, IF THE BOARD OF DIRECTORS OF A STRICT

- 1 DISCIPLINE ACADEMY ENTERS INTO OR RENEWS A MANAGEMENT AGREEMENT
- 2 WITH AN EDUCATIONAL MANAGEMENT ORGANIZATION TO CARRY OUT THE
- 3 OPERATIONS OF THE STRICT DISCIPLINE ACADEMY, ALL OF THE FOLLOWING
- 4 APPLY:
- 5 (A) THE MANAGEMENT AGREEMENT SHALL REQUIRE THE EDUCATIONAL
- 6 MANAGEMENT ORGANIZATION TO PROVIDE TO THE BOARD OF DIRECTORS, AT
- 7 LEAST ANNUALLY, AUDITED FINANCIAL STATEMENTS FOR THE EDUCATIONAL
- 8 MANAGEMENT ORGANIZATION THAT DISCLOSE THE SPECIFIC FINANCIAL
- 9 EXPENDITURES OF THE MONEY RECEIVED BY THE EDUCATIONAL MANAGEMENT
- 10 ORGANIZATION UNDER THE MANAGEMENT AGREEMENT.
- 11 (B) THE MANAGEMENT AGREEMENT SHALL REQUIRE THE EDUCATIONAL
- 12 MANAGEMENT ORGANIZATION TO PROVIDE TO THE BOARD OF DIRECTORS, FOR
- 13 EACH EMPLOYEE, OFFICER, OR BOARD MEMBER OF THE EDUCATIONAL
- 14 MANAGEMENT ORGANIZATION WHOSE COMPENSATION EXCEEDS \$100,000.00 PER
- 15 YEAR, A LIST PROVIDING A DESCRIPTION AND COST OF EACH FRINGE
- 16 BENEFIT THAT IS INCLUDED IN THE INDIVIDUAL'S COMPENSATION PACKAGE.
- 17 (C) WITHIN 30 DAYS AFTER RECEIVING THE INFORMATION UNDER
- 18 SUBDIVISIONS (A) AND (B), THE BOARD OF DIRECTORS SHALL MAKE ALL OF
- 19 THE INFORMATION IT RECEIVES UNDER SUBDIVISIONS (A) AND (B) AND THE
- 20 MANAGEMENT AGREEMENT AVAILABLE THROUGH A LINK ON THE STRICT
- 21 DISCIPLINE ACADEMY'S WEBSITE HOMEPAGE, IN A FORM AND MANNER
- 22 PRESCRIBED BY THE DEPARTMENT.
- 23 (4) AS USED IN THIS SECTION:
- 24 (A) "EDUCATIONAL MANAGEMENT ORGANIZATION" MEANS AN ENTITY THAT
- 25 ENTERS INTO A MANAGEMENT AGREEMENT WITH A STRICT DISCIPLINE
- 26 ACADEMY.
- 27 (B) "ENTITY" MEANS A PARTNERSHIP, NONPROFIT OR BUSINESS

- 1 CORPORATION, OR ANY OTHER ASSOCIATION, CORPORATION, TRUST, OR OTHER
- 2 LEGAL ENTITY.
- 3 (C) "MANAGEMENT AGREEMENT" MEANS AN AGREEMENT TO PROVIDE
- 4 COMPREHENSIVE EDUCATIONAL, ADMINISTRATIVE, MANAGEMENT, OR
- 5 INSTRUCTIONAL SERVICES OR STAFF TO A STRICT DISCIPLINE ACADEMY.
- 6 (D) "SCHOOL FISCAL YEAR" MEANS THE PERIOD THAT BEGINS JULY 1
- 7 AND ENDS JUNE 30.
- 8 Enacting section 1. This amendatory act takes effect 90 days
- 9 after the date it is enacted into law.
- 10 Enacting section 2. This amendatory act does not take effect
- 11 unless Senate Bill No. 674
- of the 99th Legislature is enacted into law.

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