

HOUSE BILL No. 5918

November 6, 2014, Introduced by Reps. Nathan, Roberts, Brunner, Irwin and Lipton and referred to the Committee on Education.

A bill to amend 1976 PA 451, entitled "The revised school code," by amending sections 502, 522, 552, and 1311d (MCL 380.502, 380.522, 380.552, and 380.1311d), sections 502 and 522 as amended by 2011 PA 277, section 552 as amended by 2012 PA 129, and section 1311d as added by 1999 PA 23.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 502. (1) A public school academy shall be organized and
2 administered under the direction of a board of directors in
3 accordance with this part and with bylaws adopted by the board of
4 directors. A public school academy corporation shall be organized
5 under the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to
6 450.3192, except that a public school academy corporation is not

1 required to comply with sections 170 to 177 of 1931 PA 327, MCL
2 450.170 to 450.177. To the extent disqualified under the state or
3 federal constitution, a public school academy shall not be
4 organized by a church or other religious organization and shall not
5 have any organizational or contractual affiliation with or
6 constitute a church or other religious organization.

7 (2) Any of the following may act as an authorizing body to
8 issue a contract to organize and operate 1 or more public school
9 academies under this part:

10 (a) The board of a school district that operates grades K to
11 12. However, the board of a school district shall not issue a
12 contract for a public school academy to operate outside the school
13 district's boundaries, and a public school academy authorized by
14 the board of a school district shall not operate outside that
15 school district's boundaries.

16 (b) An intermediate school board. However, the board of an
17 intermediate school district shall not issue a contract for a
18 public school academy to operate outside the intermediate school
19 district's boundaries, and a public school academy authorized by
20 the board of an intermediate school district shall not operate
21 outside that intermediate school district's boundaries.

22 (c) The board of a community college. However, except as
23 otherwise provided in this subdivision, the board of a community
24 college shall not issue a contract for a public school academy to
25 operate in a school district organized as a school district of the
26 first class, a public school academy authorized by the board of a
27 community college shall not operate in a school district organized

1 as a school district of the first class, the board of a community
2 college shall not issue a contract for a public school academy to
3 operate outside the boundaries of the community college district,
4 and a public school academy authorized by the board of a community
5 college shall not operate outside the boundaries of the community
6 college district. The board of a community college also may issue a
7 contract for not more than 1 public school academy to operate on
8 the grounds of an active or closed federal military installation
9 located outside the boundaries of the community college district,
10 or may operate a public school academy itself on the grounds of
11 such a federal military installation, if the federal military
12 installation is not located within the boundaries of any community
13 college district and the community college has previously offered
14 courses on the grounds of the federal military installation for at
15 least 10 years.

16 (d) The governing board of a state public university. However,
17 the combined total number of contracts for public school academies
18 issued by all state public universities shall not exceed ~~300~~
19 ~~through December 31, 2012 and shall not exceed 500~~ through December
20 31, 2014. After December 31, 2014, there is no limit on the
21 combined total number of contracts for public school academies that
22 may be issued by all state public universities.

23 (e) Two or more of the public agencies described in
24 subdivisions (a) to (d) exercising power, privilege, or authority
25 jointly pursuant to an interlocal agreement under the urban
26 cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to
27 124.512.

1 (3) To obtain a contract to organize and operate 1 or more
2 public school academies, 1 or more persons or an entity may apply
3 to an authorizing body described in subsection (2). The application
4 shall include at least all of the following:

5 (a) Identification of the applicant for the contract.

6 (b) Subject to the resolution adopted by the authorizing body
7 under section 503(5), a list of the proposed members of the board
8 of directors of the public school academy and a description of the
9 qualifications and method for appointment or election of members of
10 the board of directors.

11 (c) The proposed articles of incorporation, which shall
12 include at least all of the following:

13 (i) The name of the proposed public school academy.

14 (ii) The purposes for the public school academy corporation.

15 This language shall provide that the public school academy is
16 incorporated pursuant to this part and that the public school
17 academy corporation is a governmental entity.

18 (iii) The name of the authorizing body.

19 (iv) The proposed time when the articles of incorporation will
20 be effective.

21 (v) Other matters considered expedient to be in the articles
22 of incorporation.

23 (d) A copy of the proposed bylaws of the public school
24 academy.

25 (e) Documentation meeting the application requirements of the
26 authorizing body, including at least all of the following:

27 (i) The governance structure of the public school academy.

1 (ii) A copy of the educational goals of the public school
2 academy and the curricula to be offered and methods of pupil
3 assessment to be used by the public school academy. The educational
4 goals shall include demonstrated improved pupil academic
5 achievement for all groups of pupils. To the extent applicable, the
6 progress of the pupils in the public school academy shall be
7 assessed using at least a Michigan education assessment program
8 (MEAP) test or the Michigan merit examination under section 1279g,
9 as applicable.

10 (iii) The admission policy and criteria to be maintained by the
11 public school academy. The admission policy and criteria shall
12 comply with section 504. This part of the application also shall
13 include a description of how the applicant will provide to the
14 general public adequate notice that a public school academy is
15 being created and adequate information on the admission policy,
16 criteria, and process.

17 (iv) The school calendar and school day schedule.

18 (v) The age or grade range of pupils to be enrolled.

19 (f) Descriptions of staff responsibilities and of the public
20 school academy's governance structure.

21 (g) For an application to the board of a school district, an
22 intermediate school board, or board of a community college,
23 identification of the local and intermediate school districts in
24 which the public school academy will be located.

25 (h) An agreement that the public school academy will comply
26 with the provisions of this part and, subject to the provisions of
27 this part, with all other state law applicable to public bodies and

1 with federal law applicable to public bodies or school districts.

2 (i) A description of and address for the proposed physical
3 plant in which the public school academy will be located. An
4 applicant may request the authorizing body to issue a contract
5 allowing the public school academy board of directors to operate
6 the same configuration of age or grade levels at more than 1 site.

7 (4) An authorizing body shall oversee, or shall contract with
8 an intermediate school district, community college, or state public
9 university to oversee, each public school academy operating under a
10 contract issued by the authorizing body. The authorizing body is
11 responsible for overseeing compliance by the board of directors
12 with the contract and all applicable law. This subsection does not
13 relieve any other government entity of its enforcement or
14 supervisory responsibility.

15 (5) If the superintendent of public instruction ~~finds~~
16 **DETERMINES** that an authorizing body is not engaging in appropriate
17 continuing oversight of 1 or more public school academies operating
18 under a contract issued by the authorizing body, the superintendent
19 of public instruction ~~may~~ **SHALL** suspend the power of the
20 authorizing body to issue new contracts to organize and operate
21 public school academies **UNDER THIS PART, URBAN HIGH SCHOOL**
22 **ACADEMIES UNDER PART 6C, SCHOOLS OF EXCELLENCE UNDER PART 6E, AND**
23 **STRICT DISCIPLINE ACADEMIES UNDER SECTIONS 1311B TO 1311M. A**
24 contract issued by the authorizing body during the ~~suspension~~
25 **PERIOD IN WHICH THE AUTHORIZING BODY WAS NOT ENGAGING IN**
26 **APPROPRIATE CONTINUING OVERSIGHT, AS DETERMINED BY THE**
27 **SUPERINTENDENT OF PUBLIC INSTRUCTION,** is void. A contract issued by

1 the authorizing body before ~~the suspension~~ **THAT PERIOD** is not
2 affected by the suspension.

3 (6) An authorizing body shall not charge a fee, or require
4 reimbursement of expenses, for considering an application for a
5 contract, for issuing a contract, or for providing oversight of a
6 contract for a public school academy in an amount that exceeds a
7 combined total of 3% of the total state school aid received by the
8 public school academy in the school year in which the fees or
9 expenses are charged. **THE AUTHORIZING BODY SHALL PROVIDE TO THE**
10 **PUBLIC SCHOOL ACADEMY BOARD OF DIRECTORS AN ACCOUNTING OF THE FEES**
11 **AND REIMBURSEMENTS COLLECTED UNDER THIS SUBSECTION SPECIFYING HOW**
12 **THE SPECIFIC FUNDS COLLECTED FROM THAT PUBLIC SCHOOL ACADEMY WERE**
13 **EXPENDED, INCLUDING AN ITEMIZED LIST OF USE AND PURPOSE.** An
14 authorizing body may provide other services for a public school
15 academy and charge a fee for those services, but shall not require
16 such an arrangement as a condition to issuing the contract
17 authorizing the public school academy.

18 (7) **AT LEAST ANNUALLY, AN AUTHORIZING BODY SHALL COMPILE AND**
19 **SUBMIT TO THE SUPERINTENDENT OF PUBLIC INSTRUCTION AND THE STATE**
20 **BOARD A COMPLIANCE REPORT SHOWING THE STATUS OF EACH PUBLIC SCHOOL**
21 **ACADEMY OPERATING UNDER A CONTRACT ISSUED BY THE AUTHORIZING BODY**
22 **REGARDING COMPLIANCE WITH THE STATUTORY AND CONTRACTUAL**
23 **REQUIREMENTS FOR OPERATING THE PUBLIC SCHOOL ACADEMY. IF THE**
24 **SUPERINTENDENT OF PUBLIC INSTRUCTION DETERMINES, AFTER A REVIEW OF**
25 **THIS REPORT, THAT THE AUTHORIZING BODY HAS AN ACTIVE CONTRACT WITH**
26 **A PUBLIC SCHOOL ACADEMY THAT IS NOT IN COMPLIANCE WITH THESE**
27 **REQUIREMENTS, THE SUPERINTENDENT OF PUBLIC INSTRUCTION SHALL ORDER**

1 THE AUTHORIZING BODY TO RETURN ALL OF THE FEE COLLECTED UNDER
2 SUBSECTION (6) FROM THAT PUBLIC SCHOOL ACADEMY TO THE SCHOOL AID
3 FUND.

4 (8) IF THE SUPERINTENDENT OF PUBLIC INSTRUCTION SUSPENDS THE
5 POWER OF AN AUTHORIZING BODY TO ISSUE NEW CONTRACTS TO ORGANIZE AND
6 OPERATE PUBLIC SCHOOL ACADEMIES UNDER THIS PART, URBAN HIGH SCHOOL
7 ACADEMIES UNDER PART 6C, SCHOOLS OF EXCELLENCE UNDER PART 6E, AND
8 STRICT DISCIPLINE ACADEMIES UNDER SECTIONS 1311B TO 1311M, AS
9 PROVIDED UNDER SUBSECTION (5), THE AUTHORIZING BODY MAY PETITION
10 THE STATE BOARD TO REINSTATE ITS POWER TO ISSUE NEW CONTRACTS TO
11 ORGANIZE AND OPERATE PUBLIC SCHOOL ACADEMIES UNDER THIS PART, URBAN
12 HIGH SCHOOL ACADEMIES UNDER PART 6C, SCHOOLS OF EXCELLENCE UNDER
13 PART 6E, AND STRICT DISCIPLINE ACADEMIES UNDER SECTIONS 1311B TO
14 1311M. IF THE STATE BOARD FINDS THAT THE SUSPENSION BY THE
15 SUPERINTENDENT OF PUBLIC INSTRUCTION IS NOT ARBITRARY OR
16 CAPRICIOUS, THE STATE BOARD SHALL ESTABLISH BENCHMARKS THAT THE
17 AUTHORIZING BODY MUST MEET, AS DETERMINED BY THE STATE BOARD, TO
18 HAVE ITS POWER REINSTATED TO ISSUE NEW CONTRACTS TO ORGANIZE AND
19 OPERATE PUBLIC SCHOOL ACADEMIES UNDER THIS PART, URBAN HIGH SCHOOL
20 ACADEMIES UNDER PART 6C, SCHOOLS OF EXCELLENCE UNDER PART 6E, AND
21 STRICT DISCIPLINE ACADEMIES UNDER SECTIONS 1311B TO 1311M.

22 (9) ~~(7)~~—A public school academy shall be presumed to be
23 legally organized if it has exercised the franchises and privileges
24 of a public school academy for at least 2 years.

25 (10) ~~(8)~~—An authorizing body may enter into an
26 intergovernmental agreement with another authorizing body to issue
27 public school academy contracts. At a minimum, the agreement shall

1 further the purposes set forth in section 501, describe which
2 authorizing body shall issue the contract, and set forth which
3 authorizing body will be responsible for monitoring compliance by
4 the board of directors of the public school academy with the
5 contract and all applicable law.

6 Sec. 522. (1) An urban high school academy shall be organized
7 and administered under the direction of a board of directors in
8 accordance with this part and with bylaws adopted by the board of
9 directors. An urban high school academy corporation shall be
10 organized under the nonprofit corporation act, 1982 PA 162, MCL
11 450.2101 to 450.3192, except that an urban high school academy
12 corporation is not required to comply with sections 170 to 177 of
13 1931 PA 327, MCL 450.170 to 450.177. To the extent disqualified
14 under the state or federal constitution, an urban high school
15 academy shall not be organized by a church or other religious
16 organization and shall not have any organizational or contractual
17 affiliation with or constitute a church or other religious
18 organization.

19 (2) The governing board of a state public university may act
20 as an authorizing body to issue a contract for the organization and
21 operation of an urban high school academy under this part.

22 (3) A contract issued under this part shall be issued for an
23 initial term of 10 years. If the urban high school academy meets
24 the educational goals set forth in the contract and operates in
25 substantial compliance with this part, the authorizing body shall
26 automatically renew the contract for a subsequent 10-year term.

27 (4) To obtain a contract to organize and operate 1 or more

1 urban high school academies, an entity may apply to an authorizing
2 body described in subsection (2). The contract shall be issued to
3 an urban high school academy corporation designated by the entity
4 applying for the contract. The application shall include at least
5 all of the following:

6 (a) Name of the entity applying for the contract.

7 (b) Subject to the resolution adopted by the authorizing body
8 under section 528, a list of the proposed members of the board of
9 directors of the urban high school academy and a description of the
10 qualifications and method for appointment or election of members of
11 the board of directors.

12 (c) The proposed articles of incorporation, which shall
13 include at least all of the following:

14 (i) The name of the proposed urban high school academy to which
15 the contract will be issued.

16 (ii) The purposes for the urban high school academy
17 corporation. This language shall provide that the urban high school
18 academy is incorporated pursuant to this part and that the urban
19 high school academy corporation is a governmental entity and
20 political subdivision of this state.

21 (iii) The name of the authorizing body.

22 (iv) The proposed time when the articles of incorporation will
23 be effective.

24 (v) Other matters considered expedient to be in the articles
25 of incorporation.

26 (d) A copy of the proposed bylaws of the urban high school
27 academy.

1 (e) Documentation meeting the application requirements of the
2 authorizing body, including at least all of the following:

3 (i) The governance structure of the urban high school academy.

4 (ii) A copy of the educational goals of the urban high school
5 academy and the curricula to be offered and methods of pupil
6 assessment to be used by the urban high school academy. The
7 educational goals shall include demonstrated improved pupil
8 academic achievement for all groups of pupils. To the extent
9 applicable, the progress of the pupils in the urban high school
10 academy shall be assessed using at least a Michigan education
11 assessment program (MEAP) test or the Michigan merit examination
12 under section 1279g, as applicable.

13 (iii) The admission policy and criteria to be maintained by the
14 urban high school academy. The admission policy and criteria shall
15 comply with section 524. This part of the application also shall
16 include a description of how the applicant will provide to the
17 general public adequate notice that an urban high school academy is
18 being created and adequate information on the admission policy,
19 criteria, and process.

20 (iv) The school calendar and school day schedule.

21 (v) The age or grade range of pupils to be enrolled.

22 (f) Descriptions of staff responsibilities and of the urban
23 high school academy's governance structure.

24 (g) A description of and address for the proposed building or
25 buildings in which the urban high school academy will be located,
26 and a financial commitment by the entity applying for the contract
27 to construct or renovate the building or buildings that will be

1 occupied by the urban high school academy that is issued the
2 contract.

3 (5) If a particular state public university issues a contract
4 that allows an urban high school academy to operate the same
5 configuration of grades at more than 1 site, as provided in section
6 524(1), each of those sites shall be under the direction of the
7 board of directors that is a party to the contract.

8 (6) If the superintendent of public instruction ~~finds~~
9 **DETERMINES** that an authorizing body is not engaging in appropriate
10 continuing oversight of 1 or more urban high school academies
11 operating under a contract issued by the authorizing body, the
12 superintendent of public instruction ~~may~~**SHALL** suspend the power of
13 the authorizing body to issue new contracts to organize and operate
14 **PUBLIC SCHOOL ACADEMIES UNDER PART 6A, urban high school academies**
15 **UNDER THIS PART, SCHOOLS OF EXCELLENCE UNDER PART 6E, AND STRICT**
16 **DISCIPLINE ACADEMIES UNDER SECTIONS 1311B TO 1311M.** A contract
17 issued by the authorizing body during the ~~suspension~~**PERIOD IN**
18 **WHICH THE AUTHORIZING BODY WAS NOT ENGAGING IN APPROPRIATE**
19 **CONTINUING OVERSIGHT, AS DETERMINED BY THE SUPERINTENDENT OF PUBLIC**
20 **INSTRUCTION,** is void. A contract issued by the authorizing body
21 before the ~~suspension~~**THAT PERIOD** is not affected by the
22 suspension.

23 (7) **AT LEAST ANNUALLY, AN AUTHORIZING BODY SHALL COMPILE AND**
24 **SUBMIT TO THE SUPERINTENDENT OF PUBLIC INSTRUCTION AND THE STATE**
25 **BOARD A COMPLIANCE REPORT SHOWING THE STATUS OF EACH URBAN HIGH**
26 **SCHOOL ACADEMY OPERATING UNDER A CONTRACT ISSUED BY THE AUTHORIZING**
27 **BODY REGARDING COMPLIANCE WITH THE STATUTORY AND CONTRACTUAL**

1 REQUIREMENTS FOR OPERATING THE URBAN HIGH SCHOOL ACADEMY. IF THE
2 SUPERINTENDENT OF PUBLIC INSTRUCTION DETERMINES, AFTER A REVIEW OF
3 THIS REPORT, THAT THE AUTHORIZING BODY HAS AN ACTIVE CONTRACT WITH
4 AN URBAN HIGH SCHOOL ACADEMY THAT IS NOT IN COMPLIANCE WITH THESE
5 REQUIREMENTS, THE SUPERINTENDENT OF PUBLIC INSTRUCTION SHALL ORDER
6 THE AUTHORIZING BODY TO RETURN ALL OF THE FEE COLLECTED UNDER
7 SUBSECTION (6) FROM THAT URBAN HIGH SCHOOL ACADEMY TO THE SCHOOL
8 AID FUND.

9 (8) IF THE SUPERINTENDENT OF PUBLIC INSTRUCTION SUSPENDS THE
10 POWER OF AN AUTHORIZING BODY TO ISSUE NEW CONTRACTS TO ORGANIZE AND
11 OPERATE PUBLIC SCHOOL ACADEMIES UNDER PART 6A, URBAN HIGH SCHOOL
12 ACADEMIES UNDER THIS PART, SCHOOLS OF EXCELLENCE UNDER PART 6E, AND
13 STRICT DISCIPLINE ACADEMIES UNDER SECTIONS 1311B TO 1311M, AS
14 PROVIDED UNDER SUBSECTION (6), THE AUTHORIZING BODY MAY PETITION
15 THE STATE BOARD TO REINSTATE ITS POWER TO ISSUE NEW CONTRACTS TO
16 ORGANIZE AND OPERATE PUBLIC SCHOOL ACADEMIES UNDER PART 6A, URBAN
17 HIGH SCHOOL ACADEMIES UNDER THIS PART, SCHOOLS OF EXCELLENCE UNDER
18 PART 6E, AND STRICT DISCIPLINE ACADEMIES UNDER SECTIONS 1311B TO
19 1311M. IF THE STATE BOARD FINDS THAT THE SUSPENSION BY THE
20 SUPERINTENDENT OF PUBLIC INSTRUCTION IS NOT ARBITRARY OR
21 CAPRICIOUS, THE STATE BOARD SHALL ESTABLISH BENCHMARKS THAT THE
22 AUTHORIZING BODY MUST MEET, AS DETERMINED BY THE STATE BOARD, TO
23 HAVE ITS POWER REINSTATED TO ISSUE NEW CONTRACTS TO ORGANIZE AND
24 OPERATE PUBLIC SCHOOL ACADEMIES UNDER PART 6A, URBAN HIGH SCHOOL
25 ACADEMIES UNDER THIS PART, SCHOOLS OF EXCELLENCE UNDER PART 6E, AND
26 STRICT DISCIPLINE ACADEMIES UNDER SECTIONS 1311B TO 1311M.

27 (9) ~~(7)~~—An authorizing body shall not charge a fee, or require

1 reimbursement of expenses, for considering an application for a
2 contract, for issuing a contract, or for providing oversight of a
3 contract for an urban high school academy in an amount that exceeds
4 a combined total of 3% of the total state school aid received by
5 the urban high school academy in the school year in which the fees
6 or expenses are charged. **THE AUTHORIZING BODY SHALL PROVIDE TO THE**
7 **URBAN HIGH SCHOOL ACADEMY BOARD OF DIRECTORS AN ACCOUNTING OF THE**
8 **FEES AND REIMBURSEMENTS COLLECTED UNDER THIS SUBSECTION SPECIFYING**
9 **HOW THE SPECIFIC FUNDS COLLECTED FROM THAT URBAN HIGH SCHOOL**
10 **ACADEMY WERE EXPENDED, INCLUDING AN ITEMIZED LIST OF USE AND**
11 **PURPOSE.** All of the following apply to this fee:

12 (a) An authorizing body may use this fee only for the
13 following purposes:

14 (i) Considering applications and issuing or administering
15 contracts.

16 (ii) Compliance monitoring and oversight of urban high school
17 academies.

18 (iii) Training for urban high school academy applicants,
19 administrators, and boards of directors.

20 (iv) Technical assistance to urban high school academies.

21 (v) Academic support to urban high school academies or to
22 pupils or graduates of urban high school academies.

23 (vi) Evaluation of urban high school academy performance.

24 (vii) Training of teachers, including supervision of teacher
25 interns.

26 (viii) Other purposes that assist the urban high school
27 academies or traditional public schools in achieving improved

1 academic performance.

2 (b) An authorizing body may provide other services for an
3 urban high school academy and charge a fee for those services, but
4 shall not require such an arrangement as a condition to issuing the
5 contract authorizing the urban high school academy.

6 (10) ~~(8)~~—An urban high school academy shall be presumed to be
7 legally organized if it has exercised the franchises and privileges
8 of an urban high school academy for at least 2 years.

9 Sec. 552. (1) An authorizing body may issue contracts under
10 this subsection to organize and operate a school of excellence. All
11 of the following apply to the issuance of a contract by an
12 authorizing body under this subsection:

13 (a) The issuance of the contract must be approved by the
14 superintendent of public instruction. The superintendent of public
15 instruction shall approve issuance of a contract if he or she
16 determines that the proposed school of excellence is modeled after
17 a high-performing school or program.

18 (b) The first 5 contracts issued by all authorizing bodies
19 under this subsection shall be for schools of excellence that offer
20 1 or more of high school grades 9 to 12, or any combination of
21 those grades, as specified in the contract.

22 (c) A school of excellence authorized under this subsection
23 shall not be located in a school district that has a graduation
24 rate of over 75%, on average, for the most recent 3 school years
25 for which the data are available, as determined by the department.

26 (2) Subject to the limitations in this subsection and
27 subsection (14), an authorizing body may issue contracts under this

1 subsection for 1 or more schools of excellence that are cyber
2 schools. ~~Until December 31, 2013, the combined total number of~~
3 ~~contracts that may be issued by all statewide authorizing bodies~~
4 ~~under this subsection for schools of excellence that are cyber~~
5 ~~schools shall not exceed 5.~~ Until December 31, 2014, the combined
6 total number of contracts that may be issued by all statewide
7 authorizing bodies under this subsection for schools of excellence
8 that are cyber schools shall not exceed 10. After December 31,
9 2014, the combined total number of contracts issued by all
10 statewide authorizing bodies under this subsection for schools of
11 excellence that are cyber schools shall not exceed 15. The board of
12 a school district, an intermediate school board, the board of a
13 community college that is not a statewide authorizing body, or 2 or
14 more public agencies acting jointly as described in subsection
15 (6)(e) may not act as the authorizing body for more than 1 school
16 of excellence that is a cyber school. An authorizing body shall not
17 issue a contract for a school of excellence that is a cyber school
18 unless the school of excellence that is a cyber school meets all of
19 the following requirements:

- 20 (a) Is available for enrollment to all pupils in this state.
- 21 (b) Offers some configuration of or all of grades K to 12.
- 22 (c) The entity applying for the school of excellence that is a
23 cyber school demonstrates experience in delivering a quality
24 education program that improves pupil academic achievement. In
25 determining whether this requirement is met, an authorizing body
26 shall refer to the standards for quality online learning
27 established by the national association of charter school

1 authorizers or other similar nationally recognized standards for
2 quality online learning.

3 (d) The enrollment in the school of excellence that is a cyber
4 school is limited to not more than 2,500 pupils in membership for
5 the first school year of operation of the school of excellence that
6 is a cyber school, not more than 5,000 pupils in membership for the
7 second school year of operation of the school of excellence that is
8 a cyber school, and not more than 10,000 pupils in membership for
9 the third and subsequent school years of operation of the school of
10 excellence that is a cyber school. As used in this subdivision,
11 "membership" means that term as defined in section 6 of the state
12 school aid act of 1979, MCL 388.1606.

13 (e) The school of excellence that is a cyber school offers
14 each pupil's family a computer and subsidizes the cost of internet
15 access.

16 (3) For a public school academy operating under part 6a that
17 meets the requirements of subsection (4), with the approval of its
18 authorizing body, the board of directors of the public school
19 academy may adopt a resolution choosing to convert the public
20 school academy to a school of excellence under this part. If the
21 board of directors of a public school academy that meets the
22 requirements of subsection (4) is issued a contract as a school of
23 excellence under this subsection, all the following apply:

24 (a) The public school academy shall cease to operate as a
25 public school academy under part 6a and shall operate as a school
26 of excellence upon the issuance of a contract or at another time as
27 determined by the authorizing body.

1 (b) The public school academy shall be considered to be a
2 school of excellence for all purposes upon the issuance of a
3 contract or at another time as determined by the authorizing body,
4 but shall retain its corporate identity.

5 (c) The conversion of a public school academy under part 6a to
6 a school of excellence operating under this part shall not impair
7 any agreement, mortgage, loan, bond, note or other instrument of
8 indebtedness, or any other agreement entered into by a public
9 school academy while it was operating under part 6a.

10 (d) The contract issued to the public school academy under
11 part 6a shall automatically terminate upon the issuance of a
12 contract or at another time as determined by the authorizing body.

13 (4) Subsection (3) applies to a public school academy that is
14 determined by the department to meet all of the following, as
15 applicable:

16 (a) If the public school academy operates only some or all of
17 grades K to 8, meets at least 1 of the following:

18 (i) On average over a 3-year period, at least 90% of the pupils
19 enrolled in the public school academy achieved a score of
20 proficient or better on the Michigan education assessment program
21 mathematics and reading tests or successor state assessment
22 program.

23 (ii) On average over a 3-year period, at least 70% of the
24 pupils enrolled in the public school academy achieved a score of
25 proficient or better on the Michigan education assessment program
26 mathematics and reading tests or successor state assessment program
27 and at least 50% of the pupils enrolled in the public school

1 academy met the income eligibility criteria for the federal free or
2 reduced-price lunch program, as determined under the Richard B.
3 Russell national school lunch act, 42 USC 1751 to 1769i, and
4 reported to the department.

5 (b) If the public school academy operates grades 9 to 12, at
6 least 80% of the school's pupils graduate from high school or are
7 determined by the department to be on track to graduate from high
8 school, the school has at least 80% average attendance, and the
9 school has at least an 80% postsecondary enrollment rate.

10 (5) A school of excellence shall be organized and administered
11 under the direction of a board of directors in accordance with this
12 part and with bylaws adopted by the board of directors. A school of
13 excellence shall be organized under the nonprofit corporation act,
14 1982 PA 162, MCL 450.2101 to 450.3192, except that a school of
15 excellence is not required to comply with sections 170 to 177 of
16 1931 PA 327, MCL 450.170 to 450.177. To the extent disqualified
17 under the state or federal constitution, a school of excellence
18 shall not be organized by a church or other religious organization
19 and shall not have any organizational or contractual affiliation
20 with or constitute a church or other religious organization.

21 (6) Any of the following may act as an authorizing body to
22 issue a contract to organize and operate 1 or more schools of
23 excellence under this part:

24 (a) The board of a school district that operates grades K to
25 12. However, except as otherwise provided in this subdivision, the
26 board of a school district shall not issue a contract for a school
27 of excellence to operate outside the school district's boundaries,

1 and a school of excellence authorized by the board of a school
2 district shall not operate outside that school district's
3 boundaries. If the board of a school district issues a contract for
4 a school of excellence that is a cyber school, the contract may
5 authorize the school of excellence that is a cyber school to
6 operate outside that school district's boundaries.

7 (b) An intermediate school board. However, except as otherwise
8 provided in this subdivision, the board of an intermediate school
9 district shall not issue a contract for a school of excellence to
10 operate outside the intermediate school district's boundaries, and
11 a school of excellence authorized by the board of an intermediate
12 school district shall not operate outside that intermediate school
13 district's boundaries. If the board of an intermediate school
14 district issues a contract for a school of excellence that is a
15 cyber school, the contract may authorize the school of excellence
16 that is a cyber school to operate outside that intermediate school
17 district's boundaries.

18 (c) The board of a community college. Except as otherwise
19 provided in this subdivision, the board of a community college
20 shall not issue a contract for a school of excellence to operate
21 outside the boundaries of the community college district, and a
22 school of excellence authorized by the board of a community college
23 shall not operate outside the boundaries of the community college
24 district. If the board of a community college issues a contract for
25 a school of excellence that is a cyber school, the contract may
26 authorize the school of excellence that is a cyber school to
27 operate outside the boundaries of the community college district.

1 The board of a community college also may issue a contract for not
2 more than 1 school of excellence to operate on the grounds of an
3 active or closed federal military installation located outside the
4 boundaries of the community college district, or may operate a
5 school of excellence itself on the grounds of such a federal
6 military installation, if the federal military installation is not
7 located within the boundaries of any community college district and
8 the community college has previously offered courses on the grounds
9 of the federal military installation for at least 10 years.

10 (d) The governing board of a state public university.

11 (e) Two or more of the public agencies described in
12 subdivisions (a) to (d) exercising power, privilege, or authority
13 jointly pursuant to an interlocal agreement under the urban
14 cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to
15 124.512.

16 (7) To obtain a contract to organize and operate 1 or more
17 schools of excellence, 1 or more persons or an entity may apply to
18 an authorizing body described in this section. The application
19 shall include at least all of the following:

20 (a) Identification of the applicant for the contract.

21 (b) Subject to the resolution adopted by the authorizing body
22 under section 553(4), a list of the proposed members of the board
23 of directors of the school of excellence and a description of the
24 qualifications and method for appointment or election of members of
25 the board of directors.

26 (c) The proposed articles of incorporation, which shall
27 include at least all of the following:

1 (i) The name of the proposed school of excellence.

2 (ii) The purposes for the school of excellence corporation.

3 This language shall provide that the school of excellence is
4 incorporated pursuant to this part and that the school of
5 excellence is a governmental entity.

6 (iii) The name of the authorizing body.

7 (iv) The proposed time when the articles of incorporation will
8 be effective.

9 (v) Other matters considered expedient to be in the articles
10 of incorporation.

11 (d) A copy of the proposed bylaws of the school of excellence.

12 (e) Documentation meeting the application requirements of the
13 authorizing body, including at least all of the following:

14 (i) The governance structure of the school of excellence.

15 (ii) A copy of the educational goals of the school of
16 excellence and the curricula to be offered and methods of pupil
17 assessment to be used by the school of excellence. The educational
18 goals shall include demonstrated improved pupil academic
19 achievement for all groups of pupils. To the extent applicable, the
20 progress of the pupils in the school of excellence shall be
21 assessed using at least a Michigan education assessment program
22 (MEAP) test or the Michigan merit examination under section 1279g,
23 as applicable.

24 (iii) The admission policy and criteria to be maintained by the
25 school of excellence. The admission policy and criteria shall
26 comply with section 556. This part of the application also shall
27 include a description of how the applicant will provide to the

1 general public adequate notice that a school of excellence is being
2 created and adequate information on the admission policy, criteria,
3 and process.

4 (iv) Except for a school of excellence that is a cyber school,
5 the school calendar and school day schedule.

6 (v) The age or grade range of pupils to be enrolled.

7 (f) Descriptions of staff responsibilities and of the school
8 of excellence governance structure.

9 (g) For an application to the board of a school district, an
10 intermediate school board, or board of a community college,
11 identification of the school district and intermediate school
12 district in which the school of excellence will be located.

13 (h) An agreement that the school of excellence will comply
14 with the provisions of this part and, subject to the provisions of
15 this part, with all other state law applicable to public bodies and
16 with federal law applicable to public bodies or school districts.

17 (i) A description of and address for the proposed physical
18 plant in which the school of excellence will be located. An
19 applicant may request the authorizing body to issue a contract
20 allowing the board of directors of the school of excellence to
21 operate the same configuration of age or grade levels at more than
22 1 site.

23 (8) An authorizing body shall oversee, or shall contract with
24 an intermediate school district, community college, or state public
25 university to oversee, each school of excellence operating under a
26 contract issued by the authorizing body. The authorizing body is
27 responsible for overseeing compliance by the board of directors

1 with the contract and all applicable law. This subsection does not
2 relieve any other government entity of its enforcement or
3 supervisory responsibility.

4 (9) If the superintendent of public instruction ~~finds~~
5 **DETERMINES** that an authorizing body is not engaging in appropriate
6 continuing oversight of 1 or more schools of excellence operating
7 under a contract issued by the authorizing body, the superintendent
8 of public instruction ~~may~~ **SHALL** suspend the power of the
9 authorizing body to issue new contracts to organize and operate
10 **PUBLIC SCHOOL ACADEMIES UNDER PART 6A, URBAN HIGH SCHOOL ACADEMIES**
11 **UNDER PART 6C, schools of excellence UNDER THIS PART, AND STRICT**
12 **DISCIPLINE ACADEMIES UNDER SECTIONS 1311B TO 1311M.** A contract
13 issued by the authorizing body during ~~the suspension~~ **THE PERIOD IN**
14 **WHICH THE AUTHORIZING BODY WAS NOT ENGAGING IN APPROPRIATE**
15 **CONTINUING OVERSIGHT, AS DETERMINED BY THE SUPERINTENDENT OF PUBLIC**
16 **INSTRUCTION,** is void. A contract issued by the authorizing body
17 before ~~the suspension~~ **THAT PERIOD** is not affected by the
18 suspension.

19 (10) **IF THE SUPERINTENDENT OF PUBLIC INSTRUCTION SUSPENDS THE**
20 **POWER OF AN AUTHORIZING BODY TO ISSUE NEW CONTRACTS TO ORGANIZE AND**
21 **OPERATE PUBLIC SCHOOL ACADEMIES UNDER PART 6A, URBAN HIGH SCHOOL**
22 **ACADEMIES UNDER PART 6C, SCHOOLS OF EXCELLENCE UNDER THIS PART, AND**
23 **STRICT DISCIPLINE ACADEMIES UNDER SECTIONS 1311B TO 1311M, AS**
24 **PROVIDED UNDER SUBSECTION (9), THE AUTHORIZING BODY MAY PETITION**
25 **THE STATE BOARD TO REINSTATE ITS POWER TO ISSUE NEW CONTRACTS TO**
26 **ORGANIZE AND OPERATE PUBLIC SCHOOL ACADEMIES UNDER PART 6A, URBAN**
27 **HIGH SCHOOL ACADEMIES UNDER PART 6C, SCHOOLS OF EXCELLENCE UNDER**

1 THIS PART, AND STRICT DISCIPLINE ACADEMIES UNDER SECTIONS 1311B TO
2 1311M. IF THE STATE BOARD FINDS THAT THE SUSPENSION BY THE
3 SUPERINTENDENT OF PUBLIC INSTRUCTION IS NOT ARBITRARY OR
4 CAPRICIOUS, THE STATE BOARD SHALL ESTABLISH BENCHMARKS THAT THE
5 AUTHORIZING BODY MUST MEET, AS DETERMINED BY THE STATE BOARD, TO
6 HAVE ITS POWER REINSTATED TO ISSUE NEW CONTRACTS TO ORGANIZE AND
7 OPERATE PUBLIC SCHOOL ACADEMIES UNDER PART 6A, URBAN HIGH SCHOOL
8 ACADEMIES UNDER PART 6C, SCHOOLS OF EXCELLENCE UNDER THIS PART, AND
9 STRICT DISCIPLINE ACADEMIES UNDER SECTIONS 1311B TO 1311M.

10 (11) ~~(10)~~—An authorizing body shall not charge a fee, or
11 require reimbursement of expenses, for considering an application
12 for a contract, for issuing a contract, or for providing oversight
13 of a contract for a school of excellence in an amount that exceeds
14 a combined total of 3% of the total state school aid received by
15 the school of excellence in the school year in which the fees or
16 expenses are charged. **THE AUTHORIZING BODY SHALL PROVIDE TO THE**
17 **SCHOOL OF EXCELLENCE BOARD OF DIRECTORS AN ACCOUNTING OF THE FEES**
18 **AND REIMBURSEMENTS COLLECTED UNDER THIS SUBSECTION SPECIFYING HOW**
19 **THE SPECIFIC FUNDS COLLECTED FROM THAT SCHOOL OF EXCELLENCE WERE**
20 **EXPENDED, INCLUDING AN ITEMIZED LIST OF USE AND PURPOSE.** The
21 authorizing body may provide other services for a school of
22 excellence and charge a fee for those services, but shall not
23 require such an arrangement as a condition to issuing the contract
24 authorizing the school of excellence.

25 (12) **AT LEAST ANNUALLY, AN AUTHORIZING BODY SHALL COMPILE AND**
26 **SUBMIT TO THE SUPERINTENDENT OF PUBLIC INSTRUCTION AND THE STATE**
27 **BOARD A COMPLIANCE REPORT SHOWING THE STATUS OF EACH SCHOOL OF**

1 EXCELLENCE OPERATING UNDER A CONTRACT ISSUED BY THE AUTHORIZING
2 BODY REGARDING COMPLIANCE WITH THE STATUTORY AND CONTRACTUAL
3 REQUIREMENTS FOR OPERATING THE SCHOOL OF EXCELLENCE. IF THE
4 SUPERINTENDENT OF PUBLIC INSTRUCTION DETERMINES, AFTER A REVIEW OF
5 THIS REPORT, THAT THE AUTHORIZING BODY HAS AN ACTIVE CONTRACT WITH
6 A SCHOOL OF EXCELLENCE THAT IS NOT IN COMPLIANCE WITH THESE
7 REQUIREMENTS, THE SUPERINTENDENT OF PUBLIC INSTRUCTION SHALL ORDER
8 THE AUTHORIZING BODY TO RETURN ALL OF THE FEE COLLECTED UNDER
9 SUBSECTION (11) FROM THAT SCHOOL OF EXCELLENCE TO THE SCHOOL AID
10 FUND.

11 (13) ~~(11)~~—A school of excellence shall be presumed to be
12 legally organized if it has exercised the franchises and privileges
13 of a public school academy for at least 2 years.

14 (14) ~~(12)~~—A member of the board of directors of a school of
15 excellence is a public officer and shall, before entering upon the
16 duties of the office, take the constitutional oath of office for
17 public officers under section 1 of article XI of the state
18 constitution of 1963.

19 (15) ~~(13)~~—A school of excellence that is a cyber school may
20 make available to other public schools for purchase any of the
21 course offerings that the cyber school offers to its own pupils.

22 ~~——(14) If the department determines that the combined total~~
23 ~~statewide final audited membership for all pupils in membership in~~
24 ~~schools of excellence that are cyber schools for the 2012-2013~~
25 ~~state fiscal year exceeds a number equal to 1% of the combined~~
26 ~~total statewide final audited membership for all pupils in~~
27 ~~membership in public schools for the 2011-2012 state fiscal year,~~

1 ~~then all of the following apply:~~

2 ~~—— (a) An authorizing body may not issue a new contract for a new~~
3 ~~school of excellence that is a cyber school to begin operations in~~
4 ~~the 2013-2014 school year.~~

5 ~~—— (b) A school of excellence that is a cyber school may not~~
6 ~~enroll any new pupils in the school of excellence that is a cyber~~
7 ~~school in the 2013-2014 school year.~~

8 (16) ~~(15)~~ Beginning July 1, 2013, if the department determines
9 that the combined total statewide final audited membership for all
10 pupils in membership in schools of excellence that are cyber
11 schools for a state fiscal year exceeds a number equal to 2% of the
12 combined total statewide final audited membership for all pupils in
13 membership in public schools for the 2011-2012 state fiscal year,
14 then all of the following apply:

15 (a) Subject to subdivision (c), an authorizing body may not
16 issue a new contract for a new school of excellence that is a cyber
17 school to begin operations in a school year that begins after that
18 determination is made.

19 (b) Subject to subdivision (c), a school of excellence that is
20 a cyber school may not enroll any new pupils in the school of
21 excellence that is a cyber school in a school year that begins
22 after that determination is made.

23 (c) If the department determines that the combined total
24 statewide final audited membership for all pupils in membership in
25 schools of excellence that are cyber schools for a state fiscal
26 year does not exceed a number equal to 2% of the combined total
27 statewide final audited membership for all pupils in membership in

1 public schools for the 2011-2012 state fiscal year, then
2 subdivisions (a) and (b) do not apply for a school year that begins
3 after that determination is made unless the department makes a new
4 determination that the membership limits under this subsection have
5 been exceeded.

6 (17) ~~(16)~~ For the purposes of ~~subsections (14) and (15),~~
7 **SUBSECTION (16)**, not later than July 1, 2012, and by not later than
8 July 1 of each year, ~~thereafter,~~ the department shall determine the
9 percentage of the combined total statewide final audited membership
10 for all pupils in membership in public schools that are pupils in
11 membership in schools of excellence that are cyber schools for the
12 state fiscal year that includes that July 1.

13 (18) ~~(17)~~ As used in this section:

14 (a) "Membership" means that term as defined in section 6 of
15 the state school aid act of 1979, MCL 388.1606.

16 (b) "Statewide authorizing body" means the governing board of
17 a state public university or the board of a federal tribally
18 controlled community college that is recognized under the tribally
19 controlled colleges and universities assistance act of 1978, 25 USC
20 1801 to 1852, and is determined by the department to meet the
21 requirements for accreditation by a recognized regional accrediting
22 body.

23 ~~—— (18) Not later than October 1, 2012, If a district, an~~
24 ~~intermediate school district, a public school academy, or the~~
25 ~~education achievement system offers online learning, the board or~~
26 ~~board of directors of the district, intermediate school district,~~
27 ~~or public school academy, or the education achievement system,~~

~~1 shall submit to the department a report that details the per pupil
2 costs of operating the online learning. The report shall include,
3 on a per pupil basis, at least all of the following costs:~~

~~4 — (a) Textbooks, instructional materials, and supplies,
5 including electronic instructional material.~~

~~6 — (b) Computer and other electronic equipment, including
7 internet and telephone access.~~

~~8 — (c) Salaries and benefits for the online learning employees.~~

~~9 — (d) Purchased courses and curricula.~~

~~10 — (e) Fees associated with oversight and regulation.~~

~~11 — (f) Travel costs associated with school activities and
12 testing.~~

~~13 — (g) Facilities costs.~~

~~14 — (h) Costs associated with special education.~~

~~15 — (19) Not later than December 31, 2012, the department shall
16 issue a report to the legislature including the following:~~

~~17 — (a) A review of the data submitted under subsection (14).~~

~~18 — (b) A comparison with costs of substantially similar programs
19 in other states and relevant national research on the costs of
20 online learning.~~

~~21 — (c) Any conclusions concerning factors or characteristics of
22 online learning programs that make a difference in the costs of
23 operating the programs.~~

~~24 (19) (20) The board of directors of a school of excellence
25 that is a cyber school, or the board of a school district,
26 intermediate school district, or public school academy that
27 operates an online or other distance learning program, shall submit~~

1 a monthly report to the department, in the form and manner
2 prescribed by the department, that reports the number of pupils
3 enrolled in the school of excellence that is a cyber school, or in
4 the online or other distance learning program, during the
5 immediately preceding month.

6 (20) ~~(21)~~The board of directors of a school of excellence
7 that is a cyber school shall ensure that, when a pupil enrolls in
8 the school of excellence that is a cyber school, the pupil and his
9 or her parent or legal guardian are provided with a parent-student
10 orientation. If the pupil is at least age 18 or is an emancipated
11 minor, the orientation may be provided to just the pupil.

12 Sec. 1311d. (1) A strict discipline academy shall be organized
13 and administered under the direction of a board of directors in
14 accordance with sections 1311b to ~~1311f~~**1311M** and with bylaws
15 adopted by the board of directors. A strict discipline academy
16 corporation created to operate a strict discipline academy shall be
17 organized under the nonprofit corporation act, 1982 PA 162, MCL
18 450.2101 to 450.3192, except that the strict discipline academy
19 corporation is not required to comply with sections 170 to 177 of
20 1931 PA 327, MCL 450.170 to 450.177. To the extent disqualified
21 under the state or federal constitution, a strict discipline
22 academy shall not be organized by a church or other religious
23 organization and shall not have any organizational or contractual
24 affiliation with or constitute a church or other religious
25 organization.

26 (2) Any of the following may act as an authorizing body to
27 issue a contract to organize and operate 1 or more strict

1 discipline academies under sections 1311b to ~~1311f~~**1311M**:

2 (a) The board of a school district that operates grades K to
3 12. However, the board of a school district shall not issue a
4 contract for a strict discipline academy to operate outside the
5 school district's boundaries, and a strict discipline academy
6 authorized by the board of a school district shall not operate
7 outside that school district's boundaries.

8 (b) An intermediate school board. However, the board of an
9 intermediate school district shall not issue a contract for a
10 strict discipline academy to operate outside the intermediate
11 school district's boundaries, and a strict discipline academy
12 authorized by the board of an intermediate school district shall
13 not operate outside that intermediate school district's boundaries.

14 (c) The board of a community college. However, except as
15 otherwise provided in this subdivision, the board of a community
16 college shall not issue a contract for a strict discipline academy
17 to operate in a school district organized as a school district of
18 the first class, a strict discipline academy authorized by the
19 board of a community college shall not operate in a school district
20 organized as a school district of the first class, the board of a
21 community college shall not issue a contract for a strict
22 discipline academy to operate outside the boundaries of the
23 community college district, and a strict discipline academy
24 authorized by the board of a community college shall not operate
25 outside the boundaries of the community college district. The board
26 of a community college also may issue a contract for not more than
27 1 strict discipline academy to operate on the grounds of an active

1 or closed federal military installation located outside the
2 boundaries of the community college district, or may operate a
3 strict discipline academy itself on the grounds of such a federal
4 military installation, if the federal military installation is not
5 located within the boundaries of any community college district and
6 the community college has previously offered courses on the grounds
7 of the federal military installation for at least 10 years.

8 (d) The governing board of a state public university.

9 (3) To obtain a contract to organize and operate 1 or more
10 strict discipline academies, 1 or more persons or an entity may
11 apply to an authorizing body described in subsection (2). The
12 application shall include at least all of the following:

13 (a) Identification of the applicant for the contract.

14 (b) Subject to the resolution adopted by the authorizing body
15 under section 1311e, a list of the proposed members of the board of
16 directors of the strict discipline academy and a description of the
17 qualifications and method for appointment or election of members of
18 the board of directors.

19 (c) The proposed articles of incorporation, which shall
20 include at least all of the following:

21 (i) The name of the proposed strict discipline academy.

22 (ii) The purposes for the strict discipline academy corporation
23 that will operate the strict discipline academy. This language
24 shall provide that the strict discipline academy is established
25 pursuant to sections 1311b to ~~1311i~~ **1311M** and that the strict
26 discipline academy corporation is a governmental entity.

27 (iii) The name of the authorizing body.

1 (iv) The proposed time when the articles of incorporation will
2 be effective.

3 (v) Other matters considered expedient to be in the articles
4 of incorporation.

5 (d) A copy of the proposed bylaws of the strict discipline
6 academy.

7 (e) Documentation meeting the application requirements of the
8 authorizing body, including at least all of the following:

9 (i) The governance structure of the strict discipline academy.

10 (ii) A copy of the educational goals of the strict discipline
11 academy and the curricula to be offered and methods of pupil
12 assessment to be used by the strict discipline academy. To the
13 extent applicable, the progress of the pupils in the strict
14 discipline academy shall be assessed using at least a Michigan
15 education assessment program (MEAP) test or ~~an assessment~~
16 ~~instrument developed under section 1279 for a state endorsed high~~
17 ~~school diploma.~~ **THE MICHIGAN MERIT EXAMINATION UNDER SECTION 1279G,**
18 **AS APPLICABLE.**

19 (iii) The admission policy and criteria to be maintained by the
20 strict discipline academy. The admission policy and criteria shall
21 comply with section 1311g. This part of the application also shall
22 include a description of how the applicant will provide to the
23 general public adequate notice that a strict discipline academy is
24 being created and adequate information on the admission policy,
25 criteria, and process.

26 (iv) The school calendar and school day schedule.

27 (v) The age or grade range of pupils to be enrolled.

1 (vi) The type of pupils to be enrolled in the strict discipline
2 academy, as described in section ~~1311g(3) and (4)~~. **1311G(3) TO (5)**.

3 (f) Descriptions of staff responsibilities and of the strict
4 discipline academy's governance structure.

5 (g) For an application to the board of a school district, an
6 intermediate school board, or board of a community college,
7 identification of the local and intermediate school districts in
8 which the strict discipline academy will be located.

9 (h) An agreement that the strict discipline academy will
10 comply with the provisions of sections 1311b to ~~1311I~~ **1311M** and,
11 subject to the provisions of these sections, with all other state
12 law applicable to public bodies and with federal law applicable to
13 public bodies or school districts.

14 (i) For a strict discipline academy authorized by a school
15 district, an assurance that employees of the strict discipline
16 academy will be covered by the collective bargaining agreements
17 that apply to other employees of the school district employed in
18 similar classifications in schools that are not strict discipline
19 academies.

20 (j) A description of and address for the proposed physical
21 plant in which the strict discipline academy will be located.

22 (4) An authorizing body shall oversee, or shall contract with
23 an intermediate school district, community college, or state public
24 university to oversee, each strict discipline academy operating
25 under a contract issued by the authorizing body. The oversight
26 shall be sufficient to ensure that the authorizing body can certify
27 that the strict discipline academy is in compliance with statute,

1 rules, and the terms of the contract.

2 (5) If the ~~state board finds~~ **SUPERINTENDENT OF PUBLIC**
3 **INSTRUCTION DETERMINES** that an authorizing body is not engaging in
4 appropriate continuing oversight of 1 or more strict discipline
5 academies operating under a contract issued by the authorizing
6 body, the state board ~~may~~ **SHALL** suspend the power of the
7 authorizing body to issue new contracts to organize and operate
8 **PUBLIC SCHOOL ACADEMIES UNDER PART 6A, URBAN HIGH SCHOOL ACADEMIES**
9 **UNDER PART 6C, SCHOOLS OF EXCELLENCE UNDER PART 6E, AND** strict
10 discipline academies **UNDER SECTIONS 1311B TO 1311M**. A contract
11 issued by the authorizing body during the ~~suspension~~ **PERIOD IN**
12 **WHICH THE AUTHORIZING BODY WAS NOT ENGAGING IN APPROPRIATE**
13 **CONTINUING OVERSIGHT, AS DETERMINED BY THE SUPERINTENDENT OF PUBLIC**
14 **INSTRUCTION**, is void. A contract issued by the authorizing body
15 before the ~~suspension~~ **THAT PERIOD** is not affected by the
16 suspension.

17 (6) **IF THE SUPERINTENDENT OF PUBLIC INSTRUCTION SUSPENDS THE**
18 **POWER OF AN AUTHORIZING BODY TO ISSUE NEW CONTRACTS TO ORGANIZE AND**
19 **OPERATE PUBLIC SCHOOL ACADEMIES UNDER PART 6A, URBAN HIGH SCHOOL**
20 **ACADEMIES UNDER PART 6C, SCHOOLS OF EXCELLENCE UNDER PART 6E, AND**
21 **STRICT DISCIPLINE ACADEMIES UNDER SECTIONS 1311B TO 1311M, AS**
22 **PROVIDED UNDER SUBSECTION (5), THE AUTHORIZING BODY MAY PETITION**
23 **THE STATE BOARD TO REINSTATE ITS POWER TO ISSUE NEW CONTRACTS TO**
24 **ORGANIZE AND OPERATE PUBLIC SCHOOL ACADEMIES UNDER PART 6A, URBAN**
25 **HIGH SCHOOL ACADEMIES UNDER PART 6C, SCHOOLS OF EXCELLENCE UNDER**
26 **PART 6E, AND STRICT DISCIPLINE ACADEMIES UNDER SECTIONS 1311B TO**
27 **1311M. IF THE STATE BOARD FINDS THAT THE SUSPENSION BY THE**

1 SUPERINTENDENT OF PUBLIC INSTRUCTION IS NOT ARBITRARY OR
2 CAPRICIOUS, THE STATE BOARD SHALL ESTABLISH BENCHMARKS THAT THE
3 AUTHORIZING BODY MUST MEET, AS DETERMINED BY THE STATE BOARD, TO
4 HAVE ITS POWER REINSTATED TO ISSUE NEW CONTRACTS TO ORGANIZE AND
5 OPERATE PUBLIC SCHOOL ACADEMIES UNDER PART 6A, URBAN HIGH SCHOOL
6 ACADEMIES UNDER PART 6C, SCHOOLS OF EXCELLENCE UNDER PART 6E, AND
7 STRICT DISCIPLINE ACADEMIES UNDER SECTIONS 1311B TO 1311M.

8 (7) ~~(6)~~—An authorizing body shall not charge a fee, or require
9 reimbursement of expenses, for considering an application for a
10 contract, for issuing a contract, or for providing oversight of a
11 contract for a strict discipline academy in an amount that exceeds
12 a combined total of 3% of the total state school aid received by
13 the strict discipline academy in the school year in which the fees
14 or expenses are charged. **THE AUTHORIZING BODY SHALL PROVIDE TO THE**
15 **STRICT DISCIPLINE ACADEMY BOARD OF DIRECTORS AN ACCOUNTING OF THE**
16 **FEEES AND REIMBURSEMENTS COLLECTED UNDER THIS SUBSECTION SPECIFYING**
17 **HOW THE SPECIFIC FUNDS COLLECTED FROM THAT STRICT DISCIPLINE**
18 **ACADEMY WERE EXPENDED, INCLUDING AN ITEMIZED LIST OF USE AND**
19 **PURPOSE.** An authorizing body may provide other services for a
20 strict discipline academy and charge a fee for those services, but
21 shall not require such an arrangement as a condition to issuing the
22 contract authorizing the strict discipline academy.

23 (8) **AT LEAST ANNUALLY, AN AUTHORIZING BODY SHALL COMPILE AND**
24 **SUBMIT TO THE SUPERINTENDENT OF PUBLIC INSTRUCTION AND THE STATE**
25 **BOARD A COMPLIANCE REPORT SHOWING THE STATUS OF EACH STRICT**
26 **DISCIPLINE ACADEMY OPERATING UNDER A CONTRACT ISSUED BY THE**
27 **AUTHORIZING BODY REGARDING COMPLIANCE WITH THE STATUTORY AND**

1 CONTRACTUAL REQUIREMENTS FOR OPERATING THE STRICT DISCIPLINE
2 ACADEMY. IF THE SUPERINTENDENT OF PUBLIC INSTRUCTION DETERMINES,
3 AFTER A REVIEW OF THIS REPORT, THAT THE AUTHORIZING BODY HAS AN
4 ACTIVE CONTRACT WITH A STRICT DISCIPLINE ACADEMY THAT IS NOT IN
5 COMPLIANCE WITH THESE REQUIREMENTS, THE SUPERINTENDENT OF PUBLIC
6 INSTRUCTION SHALL ORDER THE AUTHORIZING BODY TO RETURN ALL OF THE
7 FEE COLLECTED UNDER SUBSECTION (7) FROM THAT STRICT DISCIPLINE
8 ACADEMY TO THE SCHOOL AID FUND.

9 (9) ~~(7)~~—A strict discipline academy shall be presumed to be
10 legally organized if it has exercised the franchises and privileges
11 of a strict discipline academy for at least 2 years.