RES-1224 RESOLUTION TO RECONCILE THE 1995-96 GENERAL FUND BUDGET TO ACTUAL REVENUE AND EXPENDITURE PATTERNS
APPROVED .......................................................... 4

RES-1225 RESOLUTION TO RECEIVE AND ACCEPT THE ANNUAL FINANCIAL AUDIT AND THE FEDERAL AWARDS AUDIT FOR THE 1995-96 FISCAL YEAR
APPROVED .......................................................... 4

RES-1226 RESOLUTION TO AUTHORIZE TRANSFER OF DONATED REAL ESTATE
APPROVED .......................................................... 5

RES-1227 RESOLUTION TO ADOPT REVISIONS TO THE POLICY STATEMENT ON PUBLIC SCHOOL ACADEMIES
APPROVED .......................................................... 7

RES-1228 RESOLUTION TO NOMINATE BOARD MEMBERS FOR GRATTAN ACADEMY
APPROVED .......................................................... 8

RES-1229 RESOLUTION TO AUTHORIZE THE ESTABLISHMENT OF A PUBLIC SCHOOL ACADEMY; NEW DIRECTIONS INSTITUTE, PONTIAC, MICHIGAN
APPROVED .......................................................... 8

RES-1230 RESOLUTION TO NOMINATE BOARD MEMBER FOR THE CESAR CHAVEZ ACADEMY
APPROVED .......................................................... 9

RES-1231 RESOLUTION TO AUTHORIZE THE ESTABLISHMENT OF A PUBLIC SCHOOL ACADEMY; CHATFIELD SCHOOL, LAPEER, MICHIGAN
APPROVED .......................................................... 9

RES-1232 RESOLUTION TO APPROVE APPOINTMENT TO THE SVSU FOUNDATION
APPROVED .......................................................... 10

BM-883 MOTION TO ADJOURN
APPROVED .......................................................... 12
MINUTES
BOARD OF CONTROL
Regular Meeting
1:30 p.m.
Board of Control Room - Wickes Hall

Present:  Braun
          Escobedo
          Gilbertson
          Kelly
          Law
          Roberts
          Rush
          Vitito
          Walpole

Absent:  

Others  
Present:  K. Avila
          A. Bernard
          M. Frahm
          C. Graham
          J. Harper
          M. Lloyd
          R. Maurovich
          R. Payne
          P. Saft
          S. Schmidt
          D. Schneider
          J. Stanley
          D. Strobel
          S. Strobel
          V. Taylor
          R. Thompson
          W. Vasher
          G. Wagener
          S. Welke
          J. Woodcock
          R. Yien
          Press (2)
I. CALL TO ORDER

Chairperson Braun called the meeting to order at 1:37 p.m. with Trustees Escobedo, Law, Roberts, Rush, Vitito and Walpole present.

II. PROCEDURAL ITEMS

A. Approval of Agenda and Additions and Deletions to Agenda

Chairperson Braun asked that a resolution regarding the nomination of a Board member for the Cesar Chavez Academy be added as an Action Item, and that the Staff Member of the Month be deleted from the Information Items.

Hearing no objection, Chairperson Braun declared the agenda approved as revised.

B. Approval of Minutes of September 16, 1996 Regular Meeting

It was moved and supported that the minutes of the September 16, 1996 meeting be approved.

The minutes were unanimously APPROVED as distributed.

C. Recognition of the Official Representative of the Faculty Association

Dr. David Schneider, President of the Faculty Association, read the attached statement. (See Appendix One: Schneider):

Ms. Wagener thanked Dr. Schneider for allowing her some of his time. She stated:

Ladies and gentlemen of the Board of Control, you have before you an opportunity to establish a positive atmosphere for collective bargaining and labor/management relations at Saginaw Valley State University. You are to be commended for your recent steps to address the needs of the faculty. You have hired more new full-time faculty, you have increased the faculty allowance for professional improvement, you have taken steps toward pay equity.
We ask that you address our needs with an equally open mind. Our unit is composed of 138 dedicated men and women. We are the long-term backbone of this institution -- a very stable workforce. Thirty-five, or 25% of our members have been employed here for fifteen years or more. One hundred and fifteen, or 84% of our bargaining unit have been here five years or more. That leaves only 23, or 16% of our membership who have been here less than four years and are receiving step increases.

We believe our collective bargaining agreement, which provides job security and fair treatment for all employees in our unit, has been the primary reason for this stability. Prior to our organizing in 1980, the attrition rate was around 40%. This stability has saved SVSU money, not only in training and hiring costs, but in the ability to meet the ever changing needs of our students and faculty. We are a well trained, competent workforce.

Although the number of students, faculty and administrative staff has significantly increased over the past few years, our workforce has not. The administration has chosen to supplement our workforce with student employees. As a result, we have no entry level positions in our unit. Students, who are primarily paid at minimum wage, fill those positions. They supplement our workforce in every classification. Additional student employees rather than permanent employees means additional work for us. We have to constantly train and retrain, because of the turnover in student employees. We have to deal with a workforce that doesn’t have to meet our schedule -- we have to meet theirs. They need to take time off from work to meet with faculty, help with special events, go on field trips, prepare and participate in athletic events, prepare for exams. And even though this means a heavier load for us, we’re glad to meet their needs, because we are here for the students. Unlike the permanent employees, their priorities are not their jobs here at SVSU -- their priorities are to complete their education -- and that’s where it should be.

Men and women hired to fill the permanent positions in our unit must have a minimum of two-five years of experience.

We have asked your team to come back to the table with their facts and figures and look at our facts and figures and talk. You see, even if we went through the fact-finding process and received a report, it isn’t binding -- we’d still have to go back to the table to work things out. And we need to be talking apples and apples, not apples and oranges.
What I'm asking you to do today is to really look at the facts and figures you have been given and question the assumptions upon which these facts and figures are based.

Health insurance is a good example. We were given a percentage figure by your bargaining team regarding the increase in health insurance costs. Their figures are much higher than ours, and when we questioned them, they admitted that their figures assumed that every member of the unit would take full-family health insurance during the life of the contract. We are, and always have been, open to finding ways to save on health insurance costs. In the early 1980's we worked with the administration to establish a rebate program for those who could get health insurance elsewhere, and we encouraged our members to participate. This past year, SVSU realized a savings from the 43 men and women who participated in the rebate program from our unit alone to the tune of $120,000.

On behalf of the 138 members of the SVSU Support Staff Association, I thank you for your time and for caring about this institution as much as we do.

(Trustee Kelly joined the meeting at 1:45 p.m.)

D. Communications and Requests to Appear Before the Board

Dr. Robert S.P. Yien, Vice President for Academic Affairs, noted that SVSU has had a faculty exchange program with Shanghai International Studies University since 1993. He introduced Dr. Xian-Yi Yang, Exchange Professor from that University.

Professor Yang told the Board he enjoyed teaching at SVSU because the students here were responsive, interactive and highly intelligent. He praised SVSU for its academic excellence and beautiful, well-equipped, modern facilities. He stated: “I love my country, which is not only one of the most ancient civilizations in the world, but also the fastest growing economy in the world. China’s economy will most likely overtake that of the United States in less than 30 years. A richer
China presents enormous cultural opportunities for outsiders. China will play an increasingly important role in world affairs. The world -- and the U.S.A. in particular -- should have an understanding of this Asian giant. That is why I am here. I enjoy teaching here; I like being here; I like SVSU."

III. ACTION ITEMS

1) Resolution to Reconcile the 1995-96 General Fund Budget to Actual Revenue and Expenditure Patterns

RES-1224 It was moved and supported that the following resolution be adopted:

WHEREAS, The audited financial statements for the 1995-96 fiscal year are completed.
and;
WHEREAS, The variances in actual revenue and spending patterns have been reviewed with the Finance and Audit Committee in accordance with Resolution 535 approved March 8, 1982;
NOW, THEREFORE, BE IT RESOLVED, That the Board of Control receive this report and approve variances in revenue and spending patterns from the fiscal year 1995-96 General Fund Operating Budget. (See Appendix Two: Budget)

President Gilbertson reviewed the attached General Fund Budget Summary for the fiscal year which ended June 30, 1996. He noted tuition income was slightly higher than had been projected because of strong enrollments in the winter and summer semesters. Other income sources were also up slightly. Supplies, materials and services expenditures were up somewhat. The budget is very close to projections, with resources exceeding expenditures by $44,295.

Chairperson Braun asked for questions or discussion. Hearing none, she called for the vote. The motion was APPROVED unanimously.

2) Resolution to Receive and Accept the Annual Financial Audit and the Federal Awards Audit for the 1995-96 Fiscal Year
RES-1225 It was moved and supported that the following resolution be adopted:

WHEREAS, Both the University financial statements and the audit of federal awards in accordance with provisions of the Single Audit Act of 1984 for the 1995-96 fiscal year as audited by Andrews Hooper & Pavlik, P.L.C., were reviewed by the Finance and Audit Committee of the Board, and

WHEREAS, The Administration recommends that they be submitted to the Board of Control for receipt and acceptance,

NOW, THEREFORE, BE IT RESOLVED, That the Board of Control receive and accept the audits as submitted.

Jerry Woodcock, Vice President for Administration & Business Affairs, told the Board this was a very clean audit. Copies will be placed in the Library for the general public, and mailed to various offices and agencies.

The motion was APPROVED unanimously.

3) Resolution to Authorize Transfer of Donated Real Estate

RES-1226 It was moved and supported that the following resolution be adopted:

WHEREAS, Saginaw Valley State University ("SVSU") from time to time obtains ownership of various parcels of real property and improvements ("Donated Real Estate") through gift, bequest, demise and other means; and,

WHEREAS, SVSU from time to time desires to sell, transfer and otherwise convey certain of said Donated Real Estate that does not otherwise benefit, promote or serve the educational programs or purposes of SVSU;

NOW, THEREFORE, BE IT RESOLVED, That the below named officers of SVSU are authorized to transfer, sell, and otherwise convey Donated Real Estate on behalf of SVSU, subject to the following conditions:

(1) the Donated Real Estate subject to transfer under the authority of this resolution must not have a sale price in excess of One Hundred Thousand ($100,000) Dollars; and,

(2) the Donated Real Estate subject to transfer under the authority of this resolution must not be contiguous to the main campus of SVSU and must not otherwise benefit, promote or serve the educational programs or
AND BE IT FURTHER RESOLVED, That the President and the Vice President for Administration and Business Affairs, acting together or separately, are hereby authorized to execute any and all documents necessary to effect transfers of Donated Real Estate on behalf of SVSU.

AND BE IT FURTHER RESOLVED, That Item 21 of the Board of Control Operations Manual 3.101 Article III be approved as set forth below:

21. Authorize the sale of real property if such property is contiguous to the main campus of SVSU or in any instance in which the sale price is in excess of $100,000.

President Gilbertson noted this resolution would change the Board’s policy on retained authorities by which the Board has reserved to itself all authority related to real estate transactions, including the disposal of any real estate whatsoever from the University. Resolution 1226 proposes a small exception in that regard, allowing the President and/or the Vice President for Administration and Business Affairs to dispose of donated real estate without formal Board approval, provided it is not contiguous to the campus and is less than $100,000 in value.

The University has, from time to time, received rather small parcels of real estate as gifts. This resolution would permit the administration to deal with those in a more expeditious manner, without meeting with the Board. It would not preempt the Board’s role in terms of policy decisions about real estate -- this narrow exception would simply facilitate quicker disposal of donated property which is not contiguous to the campus and which is not in excess of $100,000 in value.

Chairperson Braun noted the appropriate changes would need to be made in the Board’s Operations Manual.

The motion was APPROVED unanimously.
Resolution to Adopt Revisions to the Policy Statement on Public School Academies

RES-1227  It was moved and supported that the following resolution be adopted:

WHEREAS, Under the provisions of Act 362 of Public Acts of 1993 (the “Act”), the Board of Control of Saginaw Valley State University (SVSU) is authorized to consider applications for and to enter into contracts for the creation and operation of public school academies; and

WHEREAS, The Board of Control previously adopted a Policy Statement on Public School Academies (the “Policy Statement”) to outline the application criteria and procedures for the administration of its responsibilities under the Act; and

WHEREAS, The SVSU Policy Statement currently provides for a three year contract; and

WHEREAS, Most state/university charters provide for a five year contract; and

WHEREAS, A five year contract enables our SVSU Charter Schools to negotiate preferred interest rates, rental agreements, and recruit and retain better staff members; and

WHEREAS, Current policy requires from seven to nine board members; and

WHEREAS, Maximum flexibility for Charter School boards and the current School Code provides for from five to nine board members for local Charter Schools enabling boards to function when board changes transpire 30 to 60 days prior to scheduled Board of Control meetings.

NOW, THEREFORE, BE IT RESOLVED, That the Board of Control of Saginaw Valley State University approves changing its Charter School Policy to increase the term of individual Charter School contracts from three years to five years;

AND FURTHER, That this adjustment be retroactive to March of 1996;

AND FURTHER, That the Board of Control alter the number of board of directors required of a Charter School to a range of from five to nine members. (See Appendix Three: Policy)

President Gilbertson told the Board he hoped it would be possible to regularize the University’s approach to managing the charter schools so they would only be on the Board of Control agenda once or twice a year. However, the evolving nature of both the concept and the schools with which SVSU is working still require rather frequent action by the Board.

Dr. Wayne Vasher, Director of School/University Partnerships, reviewed the proposed revisions to the Policy Statement on Public School Academies. He noted that SVSU’s candidates
for charter schools were frequently penalized when they worked with bankers or investors or when they were searching for facilities, because we had limited them to a three-year contract, while all other charters in Michigan had five-year contracts. He recommended that SVSU’s charter schools be allowed a five-year contract as well, retroactive to March of 1996.

Dr. Vasher added that SVSU’s current policy requires from seven to nine board members for each charter school, although the current charter school statute allows for a range of from five to nine. Revising our policy to permit a range of from five to nine would be consistent with the law, and would give our charter schools more latitude in case of resignations from their boards.

The motion was APPROVED unanimously.

5) Resolution to Nominate Board Members for Grattan Academy

RES-1228  It was moved and supported that the attached resolution be adopted: (See Appendix Four: Grattan)

Dr. Vasher stated that the Grattan Academy had two openings on their Board of Directors. Debra Anchors and Jeanie Nivision, parents of prospective students, were recommended for appointment.

The motion was APPROVED unanimously.

6) Resolution to Authorize the Establishment of a Public School Academy; New Directions Institute, Pontiac, Michigan

RES-1229  It was moved and supported that the attached resolution be adopted: (See Appendix Five: Directions)

Dr. Vasher reviewed the attached application. He noted that the Institute’s facilities would be made available to the students’ parents in the evening hours so they would have the opportunity
The school currently has 72 applicants. They will try to enroll 150 in January, and their cap would be met the following year with 300 students.

Chairperson Braun noted the school had received an excellent report from the consultant.

The motion was APPROVED unanimously.

7) Resolution to Nominate Board Member for the Cesar Chavez Academy

RES-1230 It was moved and supported that the following resolution be adopted:

WHEREAS, The Saginaw Valley State University Board of Control, the school’s authorizing agent, requires that the Cesar Chavez Academy Board of Directors have a minimum of seven members; and

WHEREAS, The school desires to have a Board replacement for Lewis B. Smith, Jr., who recently offered his letter of resignation;

NOW, THEREFORE, BE IT RESOLVED, That the individual listed below will be nominated to the Saginaw Valley State University Board of Control as a candidate for appointment to the Cesar Chavez Academy Board of Directors.

Antonio Ramirez, Jr.
5116 Ogden
Detroit, Michigan 48210
(313) 554-2537

Antonio Ramirez, Jr. is the Account Executive of Health Alliance Plan. He has volunteered for many community functions including coaching basketball and track. His college career includes Henry Ford Community College in Business Administration, Siena Heights College in Pre-Engineering and minor in Finance, and Michigan State University in Pre-Engineering.

Chairperson Braun asked for questions or comments. Hearing none, she called for the vote.

The motion was APPROVED unanimously.

8) Resolution to Authorize the Establishment of a Public School Academy; Chatfield School, Lapeer, Michigan
RES-1231  It was moved and supported that the attached resolution be adopted: (See Appendix Six: Chatfield)

Dr. Vasher told the Board the Chatfield School is going to have a very strong parent component, involving the parents in the planning as well as in the support for the educational program, and using parent volunteers. They’re going to have a very comfortable student/adult ratio of 1-12, with one full-time aide in every classroom. They don’t expect any of their classes to exceed 24. They’re going to use multi-age group discussion and individualized student plans that are drawn up with the cooperating parents. A year-round calendar will be utilized. Spanish as a second language will be offered from kindergarten through sixth grade in a sequential way.

Chairperson Braun stated the school had been highly recommended by the educational consultant.

Trustee Law noted that although the consultant’s report was favorable, he also listed a number of elements that needed to be resolved.

Dr. Vasher stated that the Director of the Chatfield School wanted the year to make important decisions with the staff he recruits and with the Board people they recommend -- he was reluctant to make those kinds of decisions without a full complement of staff.

The motion was APPROVED unanimously.

9) Resolution to Approve Appointment to the SVSU Foundation

RES-1232  It was moved and supported that the following resolution be adopted:

WHEREAS, The SVSU Foundation bylaws stipulate that the Board shall include four Board of Control members; and
WHEREAS, The term previously held by Thomas E. Rush has expired;
NOW, THEREFORE, BE IT RESOLVED, That Thomas E. Rush be elected to serve a four-year term, ending September 2000.

President Gilbertson told the Board Dr. Rush was being recommended for re-election to another four-year term on the SVSU Foundation Board.

The motion was APPROVED unanimously.

IV. INFORMATION AND DISCUSSION ITEMS


President Gilbertson presented a report detailing the increases in full-time faculty numbers between 1991-1997 and preliminary future plans.

11) State Approval of Energy Loop Project

Vice President Woodcock told the Board that SVSU is the only public university in Michigan that does not have -- or have access to -- a central heating and cooling system. The $3.5 million energy loop will connect heating and cooling components for the majority of the central campus, and is expected to achieve energy efficiency between 80-85% of a traditional central heating and cooling plant. It can be constructed at a fraction of the cost of a conventional central plant, because the buildings involved are connected at the first or second floor level, doing away with the necessity of digging tunnels, which are extremely expensive. The engineering studies for the project are just being started, and it is expected the construction of the engineering loop could take two or three years.

V. REMARKS BY THE PRESIDENT

President Gilbertson told the Board about recent events on campus, including “Michigan
Investing in Abilities Week;” Homecoming; the Family Festival; a lecture by comedienne, Joan Rivers; and the Dole/Kemp rally, attended by Elizabeth Dole and several legislators and candidates from around the region and State.

VI. OTHER ITEMS FOR CONSIDERATION OR ACTION

There were no other items for consideration or action.

VII. ADJOURNMENT

12) Motion to Adjourn

BM-883 It was moved and supported that the meeting be adjourned.

The motion was APPROVED unanimously.

The meeting was adjourned at 2:32 p.m.

Respectfully submitted:

__________________________
Ruth A. Braun
Chairperson

__________________________
Donna J. Roberts
Secretary

__________________________
Jo A. Stanley
Recording Secretary
To: SVSU Board of Control

From: David E. Schneider, President SVSUFA

Date: October 14, 1996

Re: A Report from the Faculty Association Representative to the Board

Webster's Seventh New Collegiate Dictionary offers no less than seven definitions of the word family. Allow me to share four of these descriptions with you today: 1) fellowship; 2) a group of persons of common ancestry; 3) a group of things related by common characteristics or properties; 4) a group of soils that have similar profiles and include one or more series. I have heard many of us call SVSU a family. As an employee and resident scholar in organizational communication, I find myself wondering about how we use the term family at SVSU. In particular, is the term "being used metaphorically or literally? I am young enough and still naive enough to think that we use this term in its literal sense. It is under this definition that I find myself operating today. I hope you take my comments in that well-intentioned sense.

One of the family members has asked me for some time at today's meeting. I now yield two minutes to Gloria Wagener, President of the SVSU Support Staff Association.

As a member of the SVSU family, I find myself standing on the sidelines of a dispute between two other members of the family. I am not sure if this dispute is between parent and child or if this dispute is between two siblings of a larger state. No matter, at the risk of supporting one of you, I risk alienating the other. In my view, standing silent only suggests that I favor the other member of the family. Nonetheless, the dispute between our administration and the Support Staff Association continues. And, in my opinion, the dispute is affecting other family members. It is a morale issue.

I am not here to take sides, but rather to remind you that resolving the dispute lies in the hands of two bargaining teams. Fact finders and mediators don't settle contracts, bargaining teams do.
In recent weeks, I have found both sides sharing their stories with me. Allow me to offer a few interpretations. I have experienced anger, rigidness, frustration, scapegoating, convictions, determination and tiredness. Both parties have impressed me this way. Some of this has even been covered by the local media in recent weeks.

This family member would like to see the two parties talking again. I would like to encourage a tone of openness, compromise and problem solving. This is why I shared some of my time with President Wagener today.

The black armbands being worn around campus today are a sign of sadness concerning this issue. It is not about taking sides. It is about demonstrating a sense of family.

Please consider my commentary today as a constructive attempt to restore communication between family members. I ask you to join me in getting both parties back to the table again. Our family needs to grow. We need both parties in our family. Our soils are SVSU soils. Our common characteristics and properties belong to SVSU. I may be young and naive, but SVSU is a family to me, in the literal sense of the word. Sometimes we experience joy. Sometimes we experience pain. Whatever the experience, we will take it like a family.

I standby ready and willing to help both members of my SVSU family. And that offer extends to you.

With all due respect, thank you and have a good day.
# Appendix Two: Budget

## SAGINAW VALLEY STATE UNIVERSITY
**GENERAL FUND BUDGET SUMMARY**
**FISCAL YEAR 1995-96**

### Revenues

<table>
<thead>
<tr>
<th>Source</th>
<th>Budget</th>
<th>Actual Revenues JUNE 30, 1996</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Appropriation</td>
<td>$18,489,873</td>
<td>$18,489,873</td>
<td>$0</td>
</tr>
<tr>
<td>Tuition and Fees</td>
<td>16,850,000</td>
<td>16,959,072</td>
<td>119,072</td>
</tr>
<tr>
<td>Other Revenues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indirect Cost Recoveries</td>
<td>$391,942</td>
<td>$440,274</td>
<td>221,403</td>
</tr>
<tr>
<td>Investment income</td>
<td>165,000</td>
<td>298,343</td>
<td></td>
</tr>
<tr>
<td>Departmental/Other</td>
<td>920,208</td>
<td>1,477,150</td>
<td>556,942</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>36,817,023</strong></td>
<td><strong>37,157,498</strong></td>
<td><strong>340,475</strong></td>
</tr>
</tbody>
</table>

### Expenditure Allocations

<table>
<thead>
<tr>
<th>Source</th>
<th>Budget</th>
<th>Actual Expenditures</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation</td>
<td>26,406,054</td>
<td>26,321,244</td>
<td>(84,810)</td>
</tr>
<tr>
<td>Supplies, Materials &amp; Services</td>
<td>9,622,389</td>
<td>10,208,508</td>
<td>586,119</td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>788,580</td>
<td>593,451</td>
<td>(195,129)</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>36,817,023</strong></td>
<td><strong>37,113,203</strong></td>
<td><strong>296,180</strong></td>
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### Resources Over/(Under) Expenditure Allocations

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<thead>
<tr>
<th>Source</th>
<th>Budget</th>
<th>Actual Amount</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Resources Over/(Under) Expenditure Allocations</strong></td>
<td><strong>$0</strong></td>
<td>$44,295</td>
<td><strong>$44,295</strong></td>
</tr>
</tbody>
</table>

### Fund Balance

<table>
<thead>
<tr>
<th>Source</th>
<th>Budget</th>
<th>Actual End of Year</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund Balance, Beginning of year</td>
<td></td>
<td></td>
<td>525,179</td>
</tr>
<tr>
<td>Fund Balance, End of year</td>
<td>529,474</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Less: Amount Obligated by Prior Year Contractual Commitments

<table>
<thead>
<tr>
<th>Source</th>
<th>Budget</th>
<th>Actual Amount</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>(82,069)</td>
<td></td>
</tr>
</tbody>
</table>

### Unrestricted Fund Balance

<table>
<thead>
<tr>
<th>Source</th>
<th>Budget</th>
<th>Actual Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unrestricted Fund Balance</strong></td>
<td><strong>$487,405</strong></td>
<td></td>
</tr>
</tbody>
</table>
SAGINAW VALLEY STATE UNIVERSITY

POLICY STATEMENT ON PUBLIC SCHOOL ACADEMIES

I. PURPOSES

Under the provisions of 1993 Public Act 362 the Board of Control of Saginaw Valley State University ("Board") is authorized to enter into contracts for the creation of Public School Academies (PSA). It is the purpose of this policy to set forth criteria and procedures for the administration of the SVSU Board's responsibilities under that law. However, they are intended as guidelines only and the validity of a contract shall not be affected because of a departure from one or more of these criteria or procedures in approving the charter.

The SVSU Board will consider the approval of contracts for PSAs in order to provide elementary and secondary students with enhanced opportunities to achieve the objectives of Article 8 of Michigan's Constitution. By assisting in the development of such educational institutions, SVSU may make significant contributions to the variety and quality of educational programs available to public school pupils as well as create models for exemplary educational practices and parental involvement. The Board may approve such contracts where the likelihood is shown that proposed PSAs can and will meet educational needs of those who are presently inadequately served by offering a quality educational program which is both responsive to those needs, and which has the means and resources necessary to accomplish its educational goals.

II. APPLICATION PROCESS

Individuals or organizations seeking to enter into a contract with the SVSU Board for the creation and operation of a PSA must submit an application on SVSU Board approved forms which shall include the following items of information:

A. All those items indicated in M.C.L. 380.502(3).
B. Documentation that students are presently inadequately served, and how their educational needs are to be met by the proposed PSA.
C. A description of any unique or special educational or service features of the proposed PSA which would give it particular qualitative dimensions not otherwise available to students.
D. A description of programs or efforts the PSA will undertake to assure that it will attract and meet the needs of a culturally, economically and ethnically diverse student body.
E. A description of the qualifications and backgrounds of all teaching and administrative professionals employed by the proposed PSA, and a description of the qualifications and backgrounds of all proposed members of the Board of Directors of any PSA applicant.
F. A copy of the deed of conveyance or lease of the PSA school building.
G. A copy of financial planning documents describing the proposed academy's operating budget and capital needs and resources for a five-year period.
H. A copy of any and all publications, brochures, advertisements or other promotional literature used to recruit students, raise money or otherwise represent the proposed PSA to the public.

I. Copies of any documents or other materials submitted to obtain approval or accreditation from any governmental or private certifying or accrediting agencies, and a copy of any and all responses obtained from any such agency.

J. Additional and supplemental information or documents may also be requested by the SVSU Board on a case-by-case basis.

K. A one-time non-refundable application fee of $500 shall be submitted at the time of application. Applicants which appear to offer educational programs that are consistent with the purposes of this policy will be considered candidates for Public School Academy status. Such candidates will be required to pay an additional non-refundable $500 evaluation fee prior to program review. If the board of control ultimately approves the appointment for the PSA, the application fee and evaluation fee will be refunded to the applicant by means of a credit against the administrative fee referenced at paragraph IV(e) of this policy statement. In no event shall the combined total of compensation, expenses and fees paid by a PSA to the SVSU board exceed 3% of the total school aid received by the PSA in the school year in which the compensation, fees, or expenses are charged.

III. EVALUATION PROCESS

Applications will be evaluated by the SVSU Board on a competitive basis, taking into consideration the resources available for the proposed PSA, the population to be served by the proposed PSA, and the educational goals to be achieved by the proposed PSA (see M.C.L. 380.503(1)). It is the intent of the SVSU Board to retain the services of an independent, consultant-evaluator to review and evaluate the applicant and advise the SVSU Board as to the needs, plans, goals and resources of the applicant. Individuals shall be selected as a consultant-evaluator on the basis of their background and expertise in the field of K-12 education and the operation and evaluation of K-12 schools.

It is expected, but not assured, that the process of evaluating applications will require from 60-120 days from date of receipt. The SVSU Board will consider the evaluation report together with the contents of the application in a timely manner as part of its normal committee and Board meeting agenda.

IV. OPERATION AND OVERSIGHT OF PUBLIC SCHOOL ACADEMIES

Any contract issued to a PSA shall contain the following provisions:

A. Provisions addressing all those items set forth in M.C.L. 380.503(4) and (5).
B. The term of the initial contract, not to exceed **FIVE** three years, with the possibility but without the assurance of renewal.

C. An assurance by the Board of Directors of the PSA that the school is and will remain in compliance with all applicable state, federal and local laws, including but not limited to those indicated in the Appendix to this Policy.

D. A requirement that the PSA will submit to both scheduled and unplanned review visits by consultant-evaluators appointed by the SVSU Board.

E. A provision that the SVSU Board will retain 3% of the per pupil State funding to the PSA as compensation for administrative costs it incurs for its oversight functions and service as fiscal agent.

F. A requirement that a public school academy will submit to the SVSU Board an audit report conducted by a certified public accounting firm to be selected by the SVSU Board. Such reports must be received on an annual basis, and not more than 90 days following the completion of the public school academy's fiscal year.

G. A provision that the PSA will not have or maintain any affiliation with a church or other religious organization which would disqualify it under the State or federal constitution from receiving public support.

H. A provision that the PSA will not operate at a site or for age and grade ranges other than those described in its original application, and that it will maintain current certifications, accreditations or other approvals from public and private agencies which were in place at the time of application.

I. An assurance from the PSA that it shall furnish to the SVSU Board such proofs at such intervals as the SVSU Board may reasonably request of the PSA's continuing compliance with all applicable laws and with the continuing truth of each and every representation made in its application to and subsequent contract with the SVSU Board. Such provision shall further provide that if the PSA ceases to comply with any provision of law or any such representation, or any such representation ceases to be true, the PSA shall promptly notify the failure of the representation to the SVSU Board.

J. A provision requiring the PSA to undertake and sustain good faith efforts to attract and serve a student body that is culturally, economically and ethnically diverse.

K. A provision requiring that the PSA will hold SVSU, its Trustees, officers, employees and agents harmless with effect to any claims asserted because of an act or failure to act of the PSA, its officers, employees, agents, pupils or the representatives of them and shall further have SVSU named as a co-endorsee on general liability insurance coverage in an amount not less than $2,000,000 each occurrence, $6,000,000 aggregate. The charter school must also provide automobile liability in the amount of $1 M, workers compensation at the statutory limits, school leaders (k-12 E&O) in the amount of $1 M each occurrence and $2 M aggregate, and crime in the amount of $500,000.

L. A provision providing that the PSA recognizes and agrees to the grounds provided for revocation of its contract as set forth in M.C.L. 380.507 and in the contract granted by the SVSU Board. The decision of an authorizing body to revoke a contract under this section is solely within the discretion of the authorizing body, is final, and is not subject to review.
by a court or any state agency. An authorizing body that revokes a contract under this section is not liable for that action to the public school academy, public school academy corporation, a pupil of the public school academy, the parent or guardian of a public school academy, or any other person.

V. Boards of Directors of Public School Academies

Because any PSA becomes, in effect, a fully-funded public school, those responsible for the governance of the PSA must be fully accountable to the public. Further, opportunity must be provided to the public for participation in the selection of those responsible for the governance of such public institutions.

The following criteria and provisions shall be applicable to the Boards of Directors of any PSA subject to a contract with the SVSU Board:

1. The PSA Boards shall be comprised of not fewer than five seven persons, selected on the basis of their commitment to and interest and experience in public education. Individuals shall serve for a term of not more than three years, and the terms of PSA Board members shall be staggered to provide continuity and stability in PSA Board membership.

2. Public notice shall be given by the PSA of vacancies on its Board of Directors, and an opportunity shall be provided for interested individuals to apply for appointment to any such Board. The PSA will submit a name for each vacancy that exists on the Board of Directors after the initial board has been installed.

3. The SVSU Board shall approve appointments to the PSA Board of Directors.

4. At the time of any expired term or other vacancy on a PSA's Board of Directors, the then-serving Directors shall review applicants for such vacancies and recommend to the SVSU Board persons for appointment.

5. The SVSU Board reserves the authority to remove any person from membership on a PSA Board at its sole discretion for cause.
RESOLUTION

Nomination of Board Members
for Grattan Academy

September 27, 1996

WHEREAS, the Saginaw Valley State University Board of Control, the school’s authorizing agent, requires that the Grattan Academy Board of Directors have a minimum of seven members; and

WHEREAS, the school desires to have parents of prospective students who have expertise and perspective that will strengthen its board;

NOW, THEREFORE, BE IT RESOLVED, that the individuals listed below will be nominated to the Saginaw Valley State University Board of Control as candidates for appointment to the Grattan Academy Board of Directors.

Debra Anchors
1027 Lincoln Lake Road
Lowell, MI 49331

Debra is a parent of four children, the youngest of whom is enrolled in Grattan Academy. During the past three years, she has been employed with the Amway International Marketing Division as their Global Distribution Administrator, in which capacity she coordinates vendors and their merchandise in support of 42 global affiliates. In addition, she is partner in the anchors Sales Company and has served as owner and/or manager of three other businesses. Debra has been active in the community as well, serving for two years as a Crisis Intervention Counselor and as a founding member of the Kent County Rape Crisis Team. She has a degree in Psychology/Sociology from Western Michigan University.

Jeanie M. Nivision
4170 Larned NE
Grattan Township, MI 48809

Jeanie is a parent of one child who is enrolled in Grattan Academy. Jeanie is currently employed as Office Manager of R.N.J. Appraisal Company, which she and her husband own. After obtaining a B.S. in Accounting from Ferris State College, Jeanie served as an accountant for four years.
CHARTER APPLICATION
SUMMARY DATA

Title: New Directions Institute

Grade Level: 10-12 Approximate Enrollment: 150 (300 97-98)

Location: Pontiac, Michigan

Contact Applicant: Gregory Piazza
Oakland Livingston Human Services Agency
196 Oakland Avenue, Pontiac, MI 48343

MISSION

The purpose of the New Directions Institute is to provide Oakland County youth with the skills necessary to start them on a career path leading to employment in the automotive and construction trades. The other goals of the Institute are: 1) to provide students with a sound, well developed curriculum that meets all State of Michigan educational goals and guidelines and is solidly linked to work-based learning; 2) to develop realistic education/employment plans for each student; 3) students will graduate with endorsed diplomas; 4) students will participate in a structured work-based learning and curriculum development; 6) the community, parents, and/or other significant persons in the student’s life will be integral partners in planning, developing, and implementing the Institute’s educational programs, and 7) the Institute will be a model for other charter schools wishing to use the Youthbuild philosophy and integrate it into training for trades other than construction.

BRIEF DESCRIPTION OF PROGRAM

The Oakland Livingston Human Service Agency is working closely with the Michigan Partnership and together have planned a vocationally centered Charter high school committed to providing direct job entry skills, traditional academic high school preparation, and practical work experience for up to 300 Pontiac area at-risk students. The New Directions Institute will provide a three year high school program and be housed in the former Pontiac Motor Corporation headquarters building for their classroom space and lab experience. Co-sponsors of this venture will be the Midas Corporation of America and the Association of Building Contractors of Michigan. The specific skilled trades curriculum will be in either auto trades or residential building. In the evening hours the parents of these students will be encouraged to use the same facility and update their skills to make them more marketable as well.

Estimated State Aid Revenue: $780,000 (97-98 1,560,000)
Estimated SVSU Revenue: $23,400 (97-98 46,800)
RESOLUTION TO AUTHORIZE THE ESTABLISHMENT OF A PUBLIC SCHOOL ACADEMY

New Directions Institute

WHEREAS, the Michigan Legislature has provided for the establishment of public school academies as part of the Michigan public school system by enacting Act No. 362 of the Public Acts of 1993 and Act No. 416 of the Public Acts of 1994; and

WHEREAS, Act No. 416 of the Public Acts of 1994 is now in effect; and

WHEREAS, According to this legislation, the Saginaw Valley State University Board of Control, as the governing body of a state public university, is an authorizing body empowered to issue contracts to organize and operate public school academies; and

WHEREAS, The Michigan legislature has mandated that public school academy contracts be issued on a competitive basis taking into consideration the resources available for the proposed public school academy, the population to be served by the proposed public school academy; and the educational goals to be achieved by the proposed public school academy; and

WHEREAS, The Michigan legislature has mandated that public school academies organized under Act No. 416 of the Public Acts of 1994 achieve certain specific educational purposes; and

WHEREAS, The Saginaw Valley State University Board of Control having received an application for organizing the proposed New Directions Institute as a public school academy and having reviewed the application according to the provisions set forth by the Michigan Legislature;

NOW, THEREFORE, BE IT RESOLVED, That the Saginaw Valley State University Board of Control declares, subject to the conditions set forth below, that:

1. It will issue a contract to organize and operate the New Directions Institute as a public school academy upon the application submitted under Section 512 of 1994 PA 416.

2. It approves the following members of the Board of Directors of New Directions Institute

   Ronald Borngesser          Julia Nelson
   Lillian Molitz            Bernard Glieberman
   Benjamin Anderson          Thomas Layman
   James Chilcoff             Thomas Turner
   Joyce Esterberg

RESOLVED FURTHER, That all members of the Board of Directors of New Directions Institute must file an acceptance of office with Saginaw Valley State University, and must take the oath of office required by 1994 PA 416;
RESOLVED FURTHER, That the Articles of Incorporation of the New Directions Institute in the form previously submitted to this Board of Control are approved, and shall be adopted and filed in accordance with law in substantially that form.

3. Conditions

The effectiveness or the continued effectiveness of this Resolution are subject to these conditions:

a. An opinion of University legal counsel to the effect that contract documents have been agreed upon which are consistent with the purpose of the public school academies statutes; that when executed, contract documents will be binding on both parties in accordance with their tenor; and that in the opinion of University counsel, adequate provisions are included to immunize or indemnify the University, its directors, officers, employees and agents to the extent that prudence and reasonable business practice would require from all claims of liability arising from the University's contractual relationship with the public school academy or the operation of the public school academy;

b. An opinion of professional staff of the University to the effect that the contract documents, the proposed plan of operation, and the methods for holding the public school academy accountable for educational outcomes are consistent with the Policy Statement on Public School Academies adopted by the University Board on November 14 1994 and subsequently amended, unless in the case of departures from such Policy Statement, if any, the staff recommends that each such departure be agreed to, and state reason in support.

c. An opinion of the professional staff of the University that the applicant meets all of the financial, personnel and facility requirements necessary to open and operate an effective Public School Academy.

d. This Resolution and any contract entered into under it shall be null and void if New Directions Institute is not in operation by January 1997.

4. Upon receipt by the University Board of the opinions mentioned in 3 (a) and (b) above and subject to 3 (c) above, the Chair of the Board of Control of Saginaw Valley State University may execute a public school academy contract and related documents between New Directions Institute (a public school academy) and the Saginaw Valley State University Board of Control (authorizing body).
New Directions Institute
Board Members

Ronald Borngesser - Deputy Executive Director of OLHSA. When the OLHSA Governing Board approved the plans for the Institute, they requested that Mr. Borngesser be on the Institute Board to provide a link between the Institute and OLHSA and to assure the low-income population OLHSA serves remains a target population.

Lillian Molitz - Mrs. Molitz brought Youthbuild to OLHSA and has visited several Youthbuild programs. She is thoroughly familiar with Youthbuild philosophy and goals.

Benjamin L. Anderson - Manager of Labor Relations, Stanley Door Systems. He is a long time Pontiac resident and community leader. Mr. Anderson previously worked for FOCUS:Hope, a nationally recognized automotive training and out-sourcing non-profit agency. He is a member of the Judson Center for Troubled Youth Board, President of St. Vincent DePaul Parish Council, lifetime member of the NAACP, and the Pontiac Area Urban League.

James Chilcoff - Representing Midas International. Mr. Chilcoff is Midas’ Detroit Metropolitan District Manager. He established a fixed base Midas Training Center for the Detroit Metropolitan Area and is experienced in automotive budgeting and marketing, quality control, and forecasting.

Joyce Esterberg - Director of Internships at Oakland University. Ms. Esterberg is an educator and administers the Oakland University Americorps program. She has also administered at-risk youth programs.

Julie Nelson - Parent representative. Ms. Nelson is an active Head Start parent and will serve until a parent of New Directions Institute student can be recruited for the Board.

Bernard Glieberman - Owner, Crosswinds Communities, Inc. He is a third generation builder/developer and one of the major developers in the Detroit metropolitan area. He is one of Michigan’s best known and respected builder/developers, constructing more than 7,000 homes and 3,000 condominiums, more than any other condominium developer in the state.

Thomas Layman - Auto repair company owner. Mr. Layman is the owner/manager of Multistate Transmissions. He serves on the National Mechanical/Powertrain Committee of the Automotive Service Association of Michigan, Inc. and the Waterford Chamber of Commerce.

Thomas Turner - Retired State Secretary AFL-CIO Building Trades Council. Mr. Turner brings extensive community service experience as well as connections to the building trades. He is a national board member of the NAACP, board member of the A. Philip Randolph Institute (a trade academy in Detroit), active member of the Economic Alliance for Michigan, United Way, National Council on Alcoholism, and the United Negro College Fund.
TO: Eric Gilbertson, President and Board of Control

FROM: Wayne Vasher

DATE: October 3, 1996

RE: PROGRAM REVIEWER

Dr. James E. Hewitt has 33 years of experience as a Professional Educator beginning with his classroom experience continuing through as a middle school principal and central office curriculum director. He has earned three degree’s from the following institutions: Michigan State University, Wayne State University, and the University of Michigan. For the past two years he has served as General Education Consultant. He has conducted staff workshops in learning styles, teaching styles, and instructional technology planning.
TO: Dr. Wayne Vasher
Saginaw Valley State University
Charter School Programs

FROM: Dr. James E. Hewitt
Independent Evaluator

RE: Site Visit to Proposed New Directions Institute

DATE: October 3, 1996

Attached you will find the recommendation and the summary of my review of the New Directions Institute Application for Charter School. This report is based on an extensive review of the application document, a visit to the site and interaction with the applicants.
INTRODUCTION

On Monday, September 30, a site visit was made by this observer. This report is based on an extensive reading of the New Directions Institute Charter School Application and observations made during the site visit. A total of seven people were available for interview and the proposed physical facility was inspected.

RECOMMENDATION

It is the recommendation of this reviewer that the Charter School Application submitted for the New Directions Institute of Pontiac be approved as presented.

ADDRESSING NEEDS - THE MISSION

Planners of the New Directions Institute have documented a shortage of skilled tradespeople in the metro area. They also documented low graduation rates and corresponding high dropout rates in their proposed service area. The local Court system has expressed a clear need for a program which could provide positive opportunities for youth offenders trying to successfully enter the mainstream of society. The proposal writers state, "Youth today, especially at-risk, low-income youth, are experiencing a sense of isolation from their schools and their communities. Our response as a society is by and large a "get tough" policy to regulate and punish."

The proposal further states that their "approach (centered on the national model titled "Youthbuild") differs from the approach of other public schools in several important respects. The first and perhaps the most important difference is the Institute's focus on involving the entire family, not just the student. All families requesting support to meet their needs will have an opportunity to utilize OLHSA's (Oakland Livingston Human Service Agency) web of services through comprehensive counseling and case management services. ...The Institute offers a unique, holistic approach that immediately couples the world of work with classroom training and on-the-job experience. No existing public school program offers either this immediacy or the strong ties to the business community that the Institute will offer. ...The New Directions Institute will offer a program coupling adult education and training with youth education and training. Part of the Institute's vision is to have youth being educated and trained during the day while their parents are being educated and trained in the evening."
The need for a specialized high school program has been identified. The New Directions Institute, as part of the Oakland Livingston Human Service Agency in cooperation with Michigan Partnerships for New Education, has developed a proposal to meet the identified need.

CONSISTENCY WITH EDUCATIONAL PRACTICE AND PHILOSOPHY

The vision and mission of the proposed school appears to be consistent with current and sound pedagogical practices. The developer's plan incorporates past and current educational research in the design of both the delivery and content of the proposed curriculum. Incorporation of the nationally validated "Youthbuild" program provides a legitimate base for the design.

EDUCATIONAL GOALS

The educational goals are defined and consistent with the mission and vision of the proposed school. The effectiveness of the educational curriculum should be measurable by conventional evaluation and assessment tools as well as observable on-site job performance. The proposed curriculum, when successfully completed by a student, should prepare that student to competently compete in the job market as well as in other educational arenas.

INTERNAL CONSISTENCY

The prospective board members, facility owner and program developers interviewed during the site visit were cognizant and supportive of the mission and objectives of the proposed school. The site visit afforded the opportunity to talk with two proposed Board members, the facility owner and four developers. Each were able to articulate the mission and objective of the school. No perspective teachers or parents were present for the site visit.

The facility owner, Leon Yulkowski, has demonstrated a deep commitment to the physical and social revitalization of Pontiac. Previous projects demonstrate his ability and commitment to appropriately restore and upgrade properties he is involved with.

Staff members of OLHSA demonstrated exceptional program development skills and a strong commitment to build programs that will immediately benefit the community.
BUDGET

The proposed budget reflects a sense of fairness and balance, with the majority of dollars appropriately committed to the defined instructional program. As the project incorporates a unique partnership with Midas Corporation and the Association of Builders and Contractors, specialized equipment and resources should be available. As with any proposed budget, revisions will need to be constantly made as the planning and implementation process continue.

SCHOOL SITE

The proposed facility was inspected. It is a traditional manufacturing structure of the 1930's era that once housed portions of the Pontiac Motor Division. The structure, with planned improvements, should meet the required licensing specifications of agencies such as the fire marshall, health department etc. The building owner is experienced working with said licensing agencies and anticipates no unusual problems. If renovated as planned, a comfortable and safe environment should be available.

CURRICULUM

The proposed curriculum provides an basic outline of appropriate scope and sequence for the grade levels and programs specified. Materials and delivery of instruction intend to include applications of current technology. Again, the unique partnership with Midas Corporation and the Association of Builders and Contractors should provide exceptional guidance and support for the related areas of curriculum design and implementation. As teaching staff is hired, and parents become involved; developers intend to complete a more detailed curriculum design.

RECRUITMENT

Although the New Directions Institute is not yet a reality, requests for acceptance to the student body are stated to be numerous. Once the charter is formalized, appropriate publicity with local news media is assured. Based on current interest, it appears likely that initial enrollment numbers will be met with minimal promotional effort. Organizers anticipate that demand will exceed intended beginning enrollment and that a lottery system will have to be used for student selection.
CALENDAR

The proposed calendar exceeds the requirements as set forth by the State of Michigan in regards to the minimum number of membership days and hours.

STAFFING

A specific, detailed plan for selecting and hiring staff was not included. However, the developer, upon charter approval; will work with Michigan Partnership for New Education to hire a principal and begin the staff selection process. Hiring criteria should reflect both the uniqueness of the program as well as expectations of the local community. The potential of working in an alternative program seems to be attracting qualified candidates. It would appear that a qualified and appropriate staff can be hired.

BOARD MEMBERSHIP

During the site visit, two of the prospective board members were interviewed. Additional members identified include people from a wide and diverse background, appropriately representing a cross section of the community. Those interviewed seem genuinely interested in quality education and have a clear commitment to energizing alternative opportunities for the community. There is no direct involvement with the Pontiac Board of Education.

The two prospective Board members interviewed bring exceptional experience and knowledge to the project. Lillian Molitz brings years of experience in the development and administration of youth correction programs. She has participated in related research work and has first hand knowledge of the working of the "Youthbuild" program. Thomas Turner is the retired State secretary of the AFL-CIO Building Trades Council, a national board member of the NAACP and serves on numerous state and national boards. Both persons clearly demonstrate a life long commitment to the improvement of humanity.

START UP FUNDING

Appropriate cooperation and funding appear to be available.
CHARTER APPLICATION
SUMMARY DATA

Title: Chatfield School

Grade Level: K-6 Approximate Enrollment: 200

Location: Lapeer, Michigan

Contact Applicant: John & Betty McCauley

1322 North Monroe Street, Lapeer, MI 48446

MISSION

Chatfield School pledges to establish a partnership between each child’s parents and the school staff to work with the student to ensure that the best educational environment, practices, and realistic expectations are in place to prepare the child for an ever changing world in which he or she will live. This dynamic partnership will provide the foundation of a quality education for each child that has been entrusted to the school.

BRIEF DESCRIPTION OF PROGRAM

Jack and Betty McCauley have formed an educational management company, MC2 Enterprises, Inc and with the support of the Great Teacher Foundation of Lapeer have designed a K-6 elementary program for which they are requesting Charter School status. The educational facility will offer:

• strong student/parent partnerships,
• adult/child ratio maintained at 1:12,
• multi-age instructional grouping,
• individualized student learning goals,
• year-round school calendar,
• extended school day with an emphasis on co-curricular integrated into the program,
• inclusion of foreign language instruction for students and staff,
• emphasis on technology for acquiring and processing information, and
• a special emphasis on student responsibility and citizenship.

Estimated State Aid Revenue: $1,040,000
Estimated SVSU Revenue: $31,200
RESOLUTION TO AUTHORIZE THE ESTABLISHMENT
OF A PUBLIC SCHOOL ACADEMY

Chatfield School

WHEREAS, the Michigan Legislature has provided for the establishment of public school academies as part of the Michigan public school system by enacting Act No. 362 of the Public Acts of 1993 and Act No. 416 of the Public Acts of 1994; and

WHEREAS, Act No. 416 of the Public Acts of 1994 is now in effect; and

WHEREAS, According to this legislation, the Saginaw Valley State University Board of Control, as the governing body of a state public university, is an authorizing body empowered to issue contracts to organize and operate public school academies; and

WHEREAS, The Michigan legislature has mandated that public school academy contracts be issued on a competitive basis taking into consideration the resources available for the proposed public school academy, the population to be served by the proposed public school academy; and the educational goals to be achieved by the proposed public school academy; and

WHEREAS, The Michigan legislature has mandated that public school academies organized under Act No. 416 of the Public Acts of 1994 achieve certain specific educational purposes; and

WHEREAS, The Saginaw Valley State University Board of Control having received an application for organizing the proposed Chatfield School as a public school academy and having reviewed the application according to the provisions set forth by the Michigan Legislature,

NOW, THEREFORE, BE IT RESOLVED, That the Saginaw Valley State University Board of Control declares, subject to the conditions set forth below, that:

1. It will issue a contract to organize and operate the Chatfield School as a public school academy upon the application submitted under Section 512 of 1994 PA 416.

2. It approves the following members of the Board of Directors of Chatfield School

   Mike Blazo
   Thomas Butterfield
   Laura Myers
   Robert Myers
   Doug Sutherland

RESOLVED FURTHER, That all members of the Board of Directors of Chatfield School must file an acceptance of office with Saginaw Valley State University, and must take the oath of office required by 1994 PA 416;
RESOLVED FURTHER, That the Articles of Incorporation of the Chatfield School in the form previously submitted to this Board of Control are approved, and shall be adopted and filed in accordance with law in substantially that form.

3. **Conditions**

The effectiveness or the continued effectiveness of this Resolution are subject to these conditions:

a. An opinion of University legal counsel to the effect that contract documents have been agreed upon which are consistent with the purpose of the public school academies statutes; that when executed, contract documents will be binding on both parties in accordance with their tenor; and that in the opinion of University counsel, adequate provisions are included to immunize or indemnify the University, its directors, officers, employees and agents to the extent that prudence and reasonable business practice would require from all claims of liability arising from the University's contractual relationship with the public school academy or the operation of the public school academy;

b. An opinion of professional staff of the University to the effect that the contract documents, the proposed plan of operation, and the methods for holding the public school academy accountable for educational outcomes are consistent with the Policy Statement on Public School Academies adopted by the University Board on November 14, 1994 and subsequently amended, unless in the case of departures from such Policy Statement, if any, the staff recommends that each such departure be agreed to, and state reason in support.

c. An opinion of the professional staff of the University that the applicant meets all of the financial, personnel and facility requirements necessary to open and operate an effective Public School Academy.

d. This Resolution and any contract entered into under it shall be null and void if Chatfield School is not in operation by September 1997.

4. Upon receipt by the University Board of the opinions mentioned in 3 (a) and (b) above and subject to 3 (c) above, the Chair of the Board of Control of Saginaw Valley State University may execute a public school academy contract and related documents between Chatfield School (a public school academy) and the Saginaw Valley State University Board of Control (authorizing body).
Chatfield School
Board Members

Robert & Laura Myers - Mr. and Mrs Myers reside at 1515 Ru-Lane in Lapeer. Both are life-lone residents of Lapeer and have been active in community affairs. Mr. Myers was recognized as Citizen of the Year by the Lapeer Area Chamber of Commerce. Mr. Myers was owner and publisher of the Lapeer County Press. The Myers established the Great Teachers Foundation ten years ago. The Foundation has given grants and awards to local schools and individuals totaling more than $1 million.

Michael Blazo - Mr. Blazo is owner and CEO of the Kirk Construction Company of Lapeer. He is a life-long Lapeer resident who resides at 1427 Tangelwood. Mr. Blazo served as a Trustee and as President of the Board of Education for Lapeer Community Schools from 1980 to 1992.

Doug Sutherland - Resides in Macomb County. He is presently working with the Imlay City Schools in Lapeer County. Mr. Sutherland has worked in public education for thirty years, and has served as a middle school-high school principal, curriculum leader, and North Central Accreditation Advisor during those years. Most recently he worked with the Edison Project Schools in Mount Clemens.

Thomas Butterfield - Mr. Butterfield is a life-long resident of Lapeer County and is a partner in the law firm of Taylor, Carter, et. al. in Lapeer. Mr. Butterfield served as a trustee and as president of the Lapeer School Board from 1974 to 1984.
TO: Eric Gilbertson, President and Board of Control
FROM: Wayne Vasher
DATE: October 3, 1996
RE: PROGRAM REVIEWER

Mr. William Ignatowski has 25 years of experience as a high school, middle school, and elementary school teacher, counselor, and administrator. He has conducted several staff development and parent education sessions on the “quality” movement in public education. He holds both a Bachelors and a Masters Degree from Michigan State University. Mr. Ignatowski welcomed the opportunity to review the Chatfield School program and its directors.
SVSU External Evaluation of Charter School Named Chatfield School

Introduction:

On September 30, 1996, an on site visitation was made to Lapeer, Michigan, to interview Jack and Betty McCauley, proponents of the Chatfield Charter School. This evaluator arrived at approximately 4:30 PM and interviewed the McCauleys in their home until 6:00 PM, and I later made a visitation to the proposed site. Two members of the private foundation, The Great Teachers Foundation of Lapeer, Robert and Lura Myers, joined us later in the interview. Throughout the interview the McCauleys were most cordial and friendly. Both are well informed and appear highly competent in their knowledge of education. The following is an outline narrative of their responses and of my reactions to the Criteria Questions for an Authorized Charter School as submitted by Saginaw Valley State University.

I. Does the charter school serve a need or address a problem not presently met by the local public school? The McCauleys responded that the Lapeer School system is deficient in two areas: one, parent involvement and the other, multi-age education. According to Jack (Mr. McCauley) the local system does not effectively involve parents and are just beginning to consider multi-age classrooms. He remarked that the charter school that he is proposing could meet both of these needs.

Evaluator's reaction: The goal that parents should to be actively involved in the education of their children is a mission all schools would want pursue. To what extent this is lacking in Lapeer would certainly be tested by a charter school devoted to parent involvement. Whether multi-age education is a strong enough educational need in the Lapeer area that it could support a charter school is questionable.

2. Are the mission and vision of the school consistent with current educational practice and philosophy? According to the McCauleys, the cornerstone of this charter school's vision and mission is that parents must be partners with the school in the education of their children.

Evaluator's reaction: This idea of strong parent involvement or partnership is certainly consistent with the current research regarding the importance of parent involvement and community development. Every school in the United States wrestles with the problems of parent involvement and support.

3. Are the educational goals consistent with the mission and are they measurable?

Evaluator reaction: The goals of parent involvement and multi-age classrooms are measurable. Most of their educational goals such as extend day, parenting seminars, and flexible scheduling can indeed be measured.

4. Are the principals in the charter school-teachers-director-board members cognizant and supportive of the mission and objectives?

Evaluator's Reaction: Jack and Betty McCauley, along with the Meyers, are very supportive
of the school. According to Jack, a permanent board of directors and has not been created at this
time. Mr. and Mrs. Meyers appear to be strong influences in the community, and they voiced
confidence in Chatfield School. Without the chance to meet other board or community members, I
am not sure how much community support they have.

5. Does the budget reflect a sense of fairness and balance with the majority of dollars committed
to the instructional program?

Evaluator Reaction: Jack was asked if he felt comfortable with a salary of $100,000 plus
per year to run the school. He said yes, but it is my understanding that this salary includes a
full time position for his wife. Her role would be to develop the parent partnership concept.

6. Is the school building a comfortable and safe environment for children?

Evaluator’s Reaction: An on site visitation was made and the proposed building is in an
excellent location just outside of the city of Lapeer on the former Oakdale Center for
Developmental Disabilities previously owned by the State. The building itself could easily be
remodeled to resemble a very attractive elementary school. Special note should be made that
there are still some legal ramifications in procuring the property.

7. Are the curricular goals comprehensive and appropriate for each grade level? Jack
described a variety of different curricular concepts from “back to the basic” to “problem
solving” curriculum.

Evaluator’s Reaction: At this time the curriculum is in process until a teacher and other
supportive staff are hired. Jack did say that his curriculum would feature a back to basics
approach but his description of the school also mentioned thematic learning, multi-age
grouping, and higher level problem solving techniques. His outline of curriculum goals appears
to be very comprehensive and appropriate but at times somewhat inconsistent to his mission of
“back to basics”—memorizing and traditional literature.

8. Is there a well-designed plan for recruiting students? Jack mentioned that there is a sizeable
number of home schooled students and parochial students he could draw from for his school.

Evaluator’s reaction: Jack did mention developing mailing lists, newsletters, and
community contact for possible recruitment, but at this time there is no well-designed plan.

9. Does the school calendar provide time for staff development and parent conferences? Does the
calendar provide for more than the minimum in instruction time? Jack noted the importance of
flexible scheduling in developing his school because of the need to involve parents at different
times during the day. Their after school extended day concept could be very effective with
students and parents.

Evaluator’s reaction: Chatfield Charter School very definitely has built into its calendar
sufficient learning time with a solid six hour instructional day, and the calendar also allows for
staff development and parent conferencing.

The concept of parent partnership will feature parent conferencing as part of an on-going daily
Appendix Six: Chatfield

10. Does the public school academy have a clear plan for recruiting, screening and selecting staff?

Evaluator's reaction: No, but I am confident because of Jack previous work experience that he could create an effective plan. He is well aware of the dynamics of hiring teachers.

11. Do the appointed board members represent a broad cross-section of citizens interested in public education? In their proposal, the McCauleys have planned for a broad cross-section of board members.

Evaluator's reaction: At this time, this question is difficult to answered because of lack of information regarding the board members. Several board members are tentatively identified but most of the board members appear to be still in the proposal status.

12. Does the charter school have adequate funding to provide for the program and services until state monies become available?

Evaluator's reaction: Yes. The school has a commitment of one million dollars independent of any state money to help fund the school. It appears this commitment would provide for the necessary remodeling of the school and for the initial capital outlay of equipment.

Summary:

Jack and Betty McCauley appear to have a wealth of education knowledge, and they appear highly committed to their vision of having a school that truly promotes parents involvement. This evaluator especially likes the concept of creating a learning community that incorporates the parent, teacher, student and support staff into one learning community. It will be a monumental task to accomplish this worthy goal.

Some components of a charter school are missing as of this date from the Chatfield School proposal. For example, there is no procedure in place to select teachers, no permanent board of directors, no (for sure) building facility, no recruiting plan for students, and no concrete evidence to indicate that 200 students would attend Chatfield Charter School. The curriculum has not been articulated clearly; it appears to be a little of this and a little of that by design. Reference has been made to a back to the basics approach to curriculum, but at the same time, there has been references made to educational reforms such as multi-age grouping, thematic instruction, and problem solving curricula. Is important that the curriculum be articulated precisely or will the "parent pannership" be the persuading concept for parents?

Recommendation:

The assets of the proposed school look very favorably. Economically they have the backing of a private foundation which many charter schools do not have. Secondly, the school would be administered by a veteran educators who have many years of teaching and administrative
experience which again is a very important asset. Quite simply, the McCauleys appear to have confidence in what they are doing.

What makes Chatfield Charter School unique in the eyes of this evaluator is its emphasis on parent involvement in the education process. It is every educator's dream to have a parent component- in this age of parent alienation- that works.

The McCauleys are to be commended for their desire to create a model of parent involvement that perhaps other schools emulate.

Based on the data submitted and the on site interview, this evaluator would recommend that Saginaw Valley State University grant Charter status to Chatfield School.

Evaluator

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