

HOUSE BILL No. 4592

April 5, 2007, Introduced by Rep. Melton and referred to the Committee on Education.

A bill to amend 1976 PA 451, entitled
"The revised school code,"
(MCL 380.1 to 380.1852) by adding part 7B.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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PART 7B

CONSOLIDATION OF SERVICES

SEC. 761. (1) EACH INTERMEDIATE SCHOOL DISTRICT SHALL DEVELOP
AND IMPLEMENT AN INTERMEDIATE SCHOOL DISTRICT SERVICE CONSOLIDATION
PLAN AS PROVIDED UNDER THIS PART, AND EACH OF ITS CONSTITUENT
DISTRICTS SHALL PARTICIPATE IN THE DEVELOPMENT AND IMPLEMENTATION
OF THIS PLAN. AS PART OF THE DEVELOPMENT OF AN INTERMEDIATE SCHOOL
DISTRICT SERVICE CONSOLIDATION PLAN, AN INTERMEDIATE SCHOOL

1 DISTRICT SHALL ENGAGE AN INDEPENDENT PROFESSIONAL CONSULTING FIRM
2 TO EVALUATE AND MAKE RECOMMENDATIONS FOR CHANGES TO THE PLAN TO
3 MEET THE CRITERIA AND STANDARDS DEVELOPED UNDER SECTION 763.

4 (2) BEGINNING IN THE 2007-2008 SCHOOL YEAR, THE BOARD OF A
5 SCHOOL DISTRICT SHALL COOPERATE IN THE DEVELOPMENT AND
6 IMPLEMENTATION OF THE INTERMEDIATE SCHOOL DISTRICT SERVICE
7 CONSOLIDATION PLAN AND SHALL COMPLY WITH THAT PLAN.

8 (3) AN INTERMEDIATE SCHOOL DISTRICT SERVICE CONSOLIDATION PLAN
9 SHALL ADDRESS CONSOLIDATION OF ALL OF THE FOLLOWING
10 NONINSTRUCTIONAL SERVICES ON BEHALF OF CONSTITUENT DISTRICTS:

11 (A) PUPIL TRANSPORTATION FOR ALL CLASSES OF PUPILS AND ALL
12 TYPES OF PROGRAMS.

13 (B) HUMAN RESOURCES ADMINISTRATION.

14 (C) PROCUREMENT OF SUPPLIES AND OTHER PURCHASING.

15 (D) TECHNOLOGY SUPPORT SERVICES, INCLUDING, BUT NOT LIMITED
16 TO, INFORMATION TECHNOLOGY.

17 (E) PROFESSIONAL DEVELOPMENT.

18 (F) ACCOUNTING AND OTHER FINANCIAL SERVICES.

19 (G) LEGAL SERVICES.

20 (H) FOOD AND CHILD NUTRITIONAL SERVICES.

21 (I) EVENT MANAGEMENT.

22 (J) PRODUCTION PRINTING AND GRAPHICS.

23 (K) SHIPPING AND RECEIVING SERVICES.

24 (L) ANY OTHER SERVICE DESCRIBED IN SECTION 627.

25 (M) ANY OTHER NONINSTRUCTIONAL SERVICES IDENTIFIED BY THE
26 SUPERINTENDENT OF PUBLIC INSTRUCTION IN THE CRITERIA AND STANDARDS
27 DEVELOPED UNDER SECTION 763.

1 (4) AN INTERMEDIATE SCHOOL DISTRICT SERVICE CONSOLIDATION PLAN
2 MAY PROVIDE FOR CONSOLIDATION OF SERVICES ON BEHALF OF CONSTITUENT
3 DISTRICTS BY HAVING THE SERVICES PERFORMED AT THE INTERMEDIATE
4 SCHOOL DISTRICT LEVEL, BY 1 OR MORE CONSTITUENT DISTRICTS ON BEHALF
5 OF OTHER CONSTITUENT DISTRICTS, BY ANOTHER LOCAL UNIT OF
6 GOVERNMENT, OR BY ANY COMBINATION OF THESE AS APPROVED BY THE
7 SUPERINTENDENT OF PUBLIC INSTRUCTION UNDER SECTION 765.

8 SEC. 763. (1) NOT LATER THAN 60 DAYS AFTER THE EFFECTIVE DATE
9 OF THIS SECTION, THE SUPERINTENDENT OF PUBLIC INSTRUCTION SHALL
10 ESTABLISH AND DISTRIBUTE TO ALL INTERMEDIATE SCHOOL DISTRICTS AND
11 SCHOOL DISTRICTS CRITERIA AND STANDARDS FOR THE INTERMEDIATE SCHOOL
12 DISTRICT SERVICE CONSOLIDATION PLANS REQUIRED UNDER SECTION 761 AND
13 FOR APPROVAL OF THOSE PLANS. THE CRITERIA AND STANDARDS SHALL DO
14 ALL OF THE FOLLOWING:

15 (A) ESTABLISH A SYSTEM TO DETERMINE THE DEGREE OF COMPLIANCE
16 WITH SECTION 761 BY A SCHOOL DISTRICT. THE SYSTEM SHALL COMPLY WITH
17 SUBSECTION (3).

18 (B) IDENTIFY ADDITIONAL NONINSTRUCTIONAL SERVICES THAT SHOULD
19 BE SUBJECT TO CONSOLIDATION OF SERVICES UNDER SECTION 761.

20 (C) BE DESIGNED TO MAXIMIZE EFFICIENT USE OF PUBLIC RESOURCES
21 BY PUBLIC SCHOOLS AND THE AMOUNT OF PUBLIC FUNDS SPENT ON PUPIL
22 INSTRUCTION.

23 (D) ADDRESS HOW THE COSTS OF CONSOLIDATED SERVICES SHOULD BE
24 ALLOCATED AMONG THE PARTICIPANTS IN AN INTERMEDIATE SCHOOL DISTRICT
25 SERVICE CONSOLIDATION PLAN.

26 (E) ADDRESS THE NEED FOR CONTRACTUAL AGREEMENTS, COOPERATIVE
27 ARRANGEMENTS, OR INTERGOVERNMENTAL CONTRACTS OR OTHER AGREEMENTS

1 THAT MAY BE NECESSARY TO IMPLEMENT AN INTERMEDIATE SCHOOL DISTRICT
2 SERVICE CONSOLIDATION PLAN.

3 (2) NOT LATER THAN 30 DAYS AFTER THE EFFECTIVE DATE OF THIS
4 SECTION, THE SUPERINTENDENT OF PUBLIC INSTRUCTION SHALL APPOINT A
5 SERVICES CONSOLIDATION COMMITTEE TO ASSIST IN THE DEVELOPMENT OF
6 THESE CRITERIA AND STANDARDS AND IN THE APPROVAL OF PLANS UNDER
7 SECTION 765. ALL CRITERIA AND STANDARDS ADOPTED BY THE
8 SUPERINTENDENT OF PUBLIC INSTRUCTION MUST BE APPROVED BY A MAJORITY
9 VOTE OF THE SERVICES CONSOLIDATION COMMITTEE. THE SUPERINTENDENT OF
10 PUBLIC INSTRUCTION SHALL ENSURE THAT THERE IS GEOGRAPHIC DIVERSITY
11 AMONG THE MEMBERS OF THE SERVICES CONSOLIDATION COMMITTEE. THE
12 SERVICES CONSOLIDATION COMMITTEE SHALL CONSIST OF ALL OF THE
13 FOLLOWING:

14 (A) TWO PUBLIC SCHOOL TEACHERS.

15 (B) TWO SCHOOL DISTRICT SUPERINTENDENTS.

16 (C) TWO PUBLIC SCHOOL ADMINISTRATORS WHO ARE NOT SCHOOL
17 DISTRICT SUPERINTENDENTS.

18 (D) TWO REPRESENTATIVES OF 1 OR MORE STATEWIDE LABOR
19 ORGANIZATIONS REPRESENTING PUBLIC SCHOOL EMPLOYEES.

20 (E) TWO REPRESENTATIVES OF INTERMEDIATE SCHOOL DISTRICTS.

21 (F) TWO INDIVIDUALS NOMINATED BY THE MICHIGAN CONGRESS OF
22 PARENTS, TEACHERS AND STUDENTS.

23 (G) TWO INDIVIDUALS WHO ARE MEMBERS OF LOCAL SCHOOL BOARDS.

24 (3) THE CRITERIA AND STANDARDS ADOPTED TO DETERMINE THE DEGREE
25 OF COMPLIANCE WITH SECTION 761 SHALL INCLUDE ALL OF THE FOLLOWING:

26 (A) ESTABLISHMENT OF A LEVEL OF MINIMUM COMPLIANCE REQUIRED
27 FOR A SCHOOL DISTRICT TO BE CONSIDERED IN COMPLIANCE WITH SECTION

1 761.

2 (B) RECOGNITION OF AND ADJUSTMENTS FOR CIRCUMSTANCES WITHIN AN
3 INTERMEDIATE SCHOOL DISTRICT OR FOR A SCHOOL DISTRICT THAT MAY
4 REQUIRE A PHASE-IN OF CERTAIN SERVICE CONSOLIDATION EFFORTS, SUCH
5 AS EXISTING COLLECTIVE BARGAINING AGREEMENTS OR UNIQUE GEOGRAPHIC
6 OR DEMOGRAPHIC CHARACTERISTICS.

7 (4) THE CRITERIA AND STANDARDS TO DETERMINE THE DEGREE OF
8 COMPLIANCE WITH SECTION 761 MAY ALSO INCLUDE ANY OF THE FOLLOWING:

9 (A) RATINGS OTHER THAN MINIMUM COMPLIANCE OR NONCOMPLIANCE
10 THAT ARE DESIGNED TO SHOW A SCHOOL DISTRICT'S PROGRESSION TOWARD
11 FULL COMPLIANCE.

12 (B) ANY OTHER COMPONENT THAT THE SUPERINTENDENT OF PUBLIC
13 INSTRUCTION DETERMINES WILL FURTHER THE OBJECTIVES OF THIS PART.

14 (5) A SCHOOL DISTRICT OR INTERMEDIATE SCHOOL DISTRICT SHALL
15 NOT ENTER INTO A NEW COLLECTIVE BARGAINING AGREEMENT THAT
16 INTERFERES WITH ITS ABILITY TO FULLY COMPLY WITH ITS INTERMEDIATE
17 SCHOOL DISTRICT SERVICE CONSOLIDATION PLAN.

18 SEC. 765. (1) AN INTERMEDIATE SCHOOL DISTRICT SHALL SUBMIT ITS
19 SERVICE CONSOLIDATION PLAN TO THE SUPERINTENDENT OF PUBLIC
20 INSTRUCTION FOR APPROVAL NOT LATER THAN 6 MONTHS AFTER THE
21 SUPERINTENDENT OF PUBLIC INSTRUCTION HAS DISTRIBUTED THE CRITERIA
22 AND STANDARDS UNDER SECTION 763.

23 (2) AFTER AN INTERMEDIATE SCHOOL DISTRICT SUBMITS ITS SERVICE
24 CONSOLIDATION PLAN FOR APPROVAL, THE SUPERINTENDENT OF PUBLIC
25 INSTRUCTION, IN CONSULTATION WITH THE SERVICES CONSOLIDATION
26 COMMITTEE APPOINTED UNDER SECTION 763, SHALL REVIEW THE PLAN.
27 WITHIN 30 DAYS AFTER IT IS SUBMITTED, THE SUPERINTENDENT OF PUBLIC

1 INSTRUCTION SHALL APPROVE OR DISAPPROVE THE PLAN AND NOTIFY THE
2 INTERMEDIATE SCHOOL DISTRICT OF THE DECISION. IF THE PLAN IS
3 APPROVED, THE INTERMEDIATE SCHOOL DISTRICT AND ITS CONSTITUENT
4 DISTRICTS SHALL IMPLEMENT THE PLAN. IF THE SUPERINTENDENT OF PUBLIC
5 INSTRUCTION DISAPPROVES THE PLAN, ALL OF THE FOLLOWING APPLY:

6 (A) THE NOTIFICATION TO THE INTERMEDIATE SCHOOL DISTRICT SHALL
7 INCLUDE NOTIFICATION OF THE SPECIFIC REASONS FOR THE DISAPPROVAL
8 AND SHALL PRESCRIBE SPECIFIC CHANGES THAT ARE REQUIRED FOR
9 APPROVAL.

10 (B) WITHIN 14 DAYS AFTER RECEIVING THE NOTIFICATION, THE
11 INTERMEDIATE SCHOOL DISTRICT SHALL SUBMIT A REVISED PLAN
12 INCORPORATING THE CHANGES TO THE SUPERINTENDENT OF PUBLIC
13 INSTRUCTION FOR APPROVAL. IF THE SUPERINTENDENT OF PUBLIC
14 INSTRUCTION DETERMINES THAT ALL OF THE CHANGES HAVE BEEN
15 INCORPORATED, THE SUPERINTENDENT OF PUBLIC INSTRUCTION SHALL
16 APPROVE THE PLAN.

17 (C) IF THE INTERMEDIATE SCHOOL DISTRICT DOES NOT SUBMIT A
18 REVISED PLAN FOR APPROVAL WITHIN THE 14 DAYS UNDER SUBDIVISION (B),
19 OR IF IT SUBMITS A REVISED PLAN AND THE SUPERINTENDENT OF PUBLIC
20 INSTRUCTION DETERMINES THAT THE REVISED PLAN DOES NOT MEET THE
21 REQUIREMENTS OF SUBDIVISION (B), THE SUPERINTENDENT OF PUBLIC
22 INSTRUCTION SHALL MAKE THE CHANGES TO THE ORIGINAL INTERMEDIATE
23 SCHOOL DISTRICT PLAN AND RETURN THE PLAN TO THE INTERMEDIATE SCHOOL
24 DISTRICT. THIS PLAN IS THEN THE PLAN FOR THAT INTERMEDIATE SCHOOL
25 DISTRICT, AND THE INTERMEDIATE SCHOOL DISTRICT AND ITS CONSTITUENT
26 DISTRICTS SHALL IMPLEMENT THIS PLAN.

27 (3) ONCE AN INTERMEDIATE SCHOOL DISTRICT SERVICE CONSOLIDATION

1 PLAN IS IMPLEMENTED, THE INTERMEDIATE SCHOOL DISTRICT AND ITS
2 CONSTITUENT DISTRICTS SHALL SUBMIT TO THE SUPERINTENDENT OF PUBLIC
3 INSTRUCTION AN ANNUAL SERVICE CONSOLIDATION REPORT. THE
4 INTERMEDIATE SCHOOL DISTRICT SHALL WORK WITH CONSTITUENT DISTRICTS
5 TO COMPILE AND SUBMIT THIS REPORT. NOT LATER THAN MARCH 1 EACH
6 YEAR, THE INTERMEDIATE SCHOOL DISTRICT SHALL SUBMIT THIS REPORT TO
7 THE SUPERINTENDENT OF PUBLIC INSTRUCTION IN THE FORM AND MANNER
8 PRESCRIBED BY THE SUPERINTENDENT OF PUBLIC INSTRUCTION. NOT LATER
9 THAN MAY 1 EACH YEAR, THE SUPERINTENDENT OF PUBLIC INSTRUCTION
10 SHALL REVIEW AND SUMMARIZE THE RESULTS CONTAINED IN THE ANNUAL
11 SERVICE CONSOLIDATION REPORTS AND SUBMIT FINDINGS TO THE STANDING
12 COMMITTEES AND APPROPRIATIONS SUBCOMMITTEES OF THE SENATE AND HOUSE
13 OF REPRESENTATIVES THAT HAVE JURISDICTION OVER EDUCATION
14 LEGISLATION. THE FINDINGS SHALL EVALUATE THE PROGRESS BEING MADE IN
15 MAXIMIZING EFFICIENT USE OF PUBLIC RESOURCES AND THE AMOUNT OF
16 PUBLIC FUNDS SPENT ON PUPIL INSTRUCTION AND SHALL MAKE
17 RECOMMENDATIONS ON ANY LEGISLATION NEEDED TO FURTHER MEET THIS
18 GOAL.

19 (4) AN ANNUAL SERVICE CONSOLIDATION REPORT SHALL CONTAIN AT
20 LEAST ALL OF THE FOLLOWING FOR EACH CONSTITUENT DISTRICT:

21 (A) A DETAILED DESCRIPTION OF THE SERVICES THAT HAVE BEEN
22 CONSOLIDATED, OF THE MANNER IN WHICH THEY WERE CONSOLIDATED, AND OF
23 HOW AND BY WHOM THEY ARE BEING PERFORMED UNDER THE SERVICE
24 CONSOLIDATION PLAN.

25 (B) A DETAILED DESCRIPTION OF ALL NONINSTRUCTIONAL SERVICES
26 THAT ARE STILL BEING PERFORMED BY THE CONSTITUENT DISTRICT AND AN
27 EXPLANATION OF THE REASONS FOR THIS.

1 (C) A DETAILED SUMMARY FOR EACH TYPE OF CONSOLIDATED SERVICE
2 OF THE COST SAVINGS REALIZED BY THE CONSTITUENT DISTRICT AS A
3 RESULT OF THE CONSOLIDATION.

4 (D) A PRIORITIZED FUNDING PLAN PREPARED BY THE CONSTITUENT
5 DISTRICT THAT DETAILS THE WAYS THAT THE CONSTITUENT DISTRICT WILL
6 USE THE FUNDS RESULTING FROM THE COST SAVINGS DESCRIBED IN
7 SUBDIVISION (C). THE PRIORITIZED FUNDING PLAN SHALL ENSURE THAT THE
8 COST SAVINGS WILL PLACE THE FIRST PRIORITY IN THE USE OF THESE
9 FUNDS ON INCREASING EXPENDITURES ON CLASSROOM INSTRUCTION,
10 INCLUDING, BUT NOT LIMITED TO, CLASSROOM TECHNOLOGY, INSTRUCTIONAL
11 STAFF, INSTRUCTIONAL SUPPLIES, INSTRUCTIONAL MATERIALS, TEXTBOOKS,
12 AND DISTANCE LEARNING.

13 (E) AN EVALUATION BY THE INTERMEDIATE SCHOOL DISTRICT OF THE
14 LEVEL OF COMPLIANCE BY THE CONSTITUENT DISTRICT WITH THE
15 INTERMEDIATE SCHOOL DISTRICT SERVICE CONSOLIDATION PLAN. THIS
16 EVALUATION SHALL INCLUDE A REPORT OF ANY INSTANCES OF FAILURE TO
17 COMPLY OR TO COOPERATE. THE SUPERINTENDENT OF PUBLIC INSTRUCTION
18 MAY USE THIS EVALUATION IN DETERMINING WHETHER A CONSTITUENT
19 DISTRICT IS SUFFICIENTLY IN COMPLIANCE WITH THE PLAN TO QUALIFY FOR
20 AN INCREASE IN ITS FOUNDATION ALLOWANCE, AS PROVIDED UNDER SECTION
21 20 OF THE STATE SCHOOL AID ACT OF 1979, MCL 388.1620.

22 SEC. 767. IF AN INTERMEDIATE SCHOOL DISTRICT, ANOTHER SCHOOL
23 DISTRICT, OR ANOTHER ENTITY PERFORMS SERVICES ON BEHALF OF
24 CONSTITUENT DISTRICTS UNDER THIS PART, THE INTERMEDIATE SCHOOL
25 DISTRICT, SCHOOL DISTRICT, OR OTHER ENTITY SHALL COMPLY WITH ALL
26 APPLICABLE REQUIREMENTS ESTABLISHED BY LAW FOR EACH OF THOSE
27 SERVICES TO THE SAME EXTENT AS IF THE CONSTITUENT DISTRICT WERE

1 PERFORMING THE SERVICE ITSELF.