

BOARD HANDBOOK

Adding Value in your Governance Role

Top 10 Ways to Add Value to Your Academy

1. Define, clarify and discuss roles: Authorizer, Board, Educational Service Provider
2. Focus on student achievement
3. Establish vision, mission and core values
4. Plan for the future
5. Govern by policy
6. Fulfill your regulatory responsibilities
7. Engage in effective financial oversight
8. Ensure a safe and orderly environment
9. Evaluate performance
10. Develop capacity to govern well

See **Appendix A** for complete *Top 10 Ways to Add Value to Your Academy*

Number 1

Define, Clarify and Discuss Roles

“The Whole Purpose of Education is to Turn Mirrors into Windows.” (Sydney J. Harris)

Relationship with the Board, the ESP, and the Authorizer:

The relationship with the Board, ESP and Authorizer is often referred to as the three-legged stool.

A three-legged stool is always stable, regardless of its placement on an uneven surface. Keeping the top parallel to the floor and comfortable to sit on, however, requires careful steps to achieve balance among each of the three legs.

*NACSA Issue Brief – Authorizing Matters
Steadying the Three-Legged Stool: Authorizers, Charter Schools, and Educational Service Providers
October 2006*

All three work together to “balance” performance: academic, fiscal, operational.

Ferris State University/ The Authorizer	Board	ESP
Issues charter performance contract to board	Signs charter performance contract with authorizer	Negotiates agreement with board that considers charter performance contract requirements/goals
Oversees board compliance to charter performance contract	Understands all aspects of charter performance contract	Administers business and operational functions in alignment with charter performance contract and management agreement
Reauthorizes/renews charter performance contract	Meets/exceeds goals and requirements pursuant to charter performance contract, law and policy	Through operational and business functions, expected to meet/exceed all academy goals
Administers performance assessments on academics, finances and operations	Establishes systems and processes to monitor, effectively, academy’s performance	Provides clear, accurate and timely information in support of board’s monitoring systems/processes
Appoints and reappoints board members	Ensures quality board candidates for authorizer consideration	Works in cooperation with board in identifying board candidates for board consideration
Expects transparent, respectful relationships with board and leadership	Fosters a transparent, no surprise approach with authorizer	Establishes transparent, trusting, communicative relationship with board

Summarily:

- Increase understanding of roles/responsibilities and expectations of each leg of the stool
- Understand the charter performance contract and what is expected of each of the three legs relative to it
- Regularly work toward achieving charter performance contract goals and establish systems and processes that keep all stakeholders informed of progress
- Assume your role in relationship building
- Maintain stool balance by establishing clear expectations, asking wise questions and sharing information in a transparent, timely, clear and concise manner

Source: AirWin Educational Services, LLC

Number 2

Focus on Student Achievement

"Education is for Improving the Lives of Others and for Leaving your Community and World Better than you Found it." (Marian Wright Edelman)

As required by the Revised School Code, Ferris State University monitors demonstrated improved pupil academic achievement for all groups of pupils. It is expected that academies will meet the State of Michigan's accreditation standards and any improvement targets required to be achieved pursuant to state and federal law. Academies are also expected to remain off the Priority and Focus school lists published by the Michigan Department of Education. If academies already have school buildings identified on these lists, it is expected to make the progress necessary for them to no longer be identified.

Student achievement and growth is the main goal!

Key questions to consider in ensuring student achievement:

- 1. What do we want our students to learn?*
- 2. How will we know if they have learned? What evidence will we need?*
- 3. What will we do if we determine students are not learning?*
- 4. How well are we addressing the needs of all learners?*

Helpful Hint: Ensure student achievement/growth is being addressed at every regular board meeting. Discussion of this information will help answer the questions identified above; be certain the school improvement plan and invigorating excellence plan are followed.

Educational Goal to be Achieved:

Prepare all students academically for success in college, work and life.

To determine goal achievement, the Charter Schools Office requires its academies to use:

- mapGROWTH™ assessment from the Northwest Evaluation Association (NWEA™)
- PSAT 8/9 and PSAT10 from the College Board
- All state identified standards tests (currently MSTEP and SAT)

For more information on specific measures, please see **Appendix B: Educational Goal Policy**

Each year the Charter Schools Office prepares a **Contract Performance Report**, specific to each academy, which details the measures used to determine whether an academy is meeting the academic goals, as well as compliance, financial and board performance. Please see **Appendix C** on how to access a copy of the current year's **Contract Performance Report**.

Assessment expectations and student achievement and growth goals are prescribed in the Revised School Code and the Educational Goal Policy; both are a part of the charter contract. The Academy

Board has a role in monitoring student achievement and growth for all groups of students. The Board also approves the curriculum and assures that it is aligned with the Michigan Curriculum Framework and the Michigan State Standards.

Improving student achievement for all groups of students is the most important factor in a contract renewal decision. Boards have a responsibility to hold their school leaders and/or ESPs accountable for student growth and achievement – namely making progress towards and/or meeting the educational goals expressed in the charter contract.

Number 3

Establish Vision, Mission and Core Values

“If your Actions Inspire Others to Dream More, Learn More, do More and Become More, you are a Leader.” (President John Quincy Adams)

Core values drive vision and mission. The three elements, together, serve as the “DNA” of the Academy. While your core values and vision should remain static, your mission should be communicated, reviewed, evaluated, revised and discussed regularly with all stakeholders. Establishing vision, mission and core values is an essential function of the Board’s leadership role.

Leadership includes establishing a Vision and Mission Statement for the Academy, linked to core values. These statements guide daily decisions and future direction and inspire those within the Academy to work toward common goals. An effective Academy Board is committed to promoting the mission and vision. These statements define the Academy’s goals and philosophy for students, parents, teachers, school leaders and other staff members, board members and the outside community; and, define the unique character, core values, priorities, educational program, target population and goals of the Academy. Board members should be able to clearly state the mission and vision of the Academy and describe how the Academy is working toward meeting the objectives.

The **Vision Statement** paints a picture of the end goals of the Academy. It addresses the following questions.

- What kind of Academy do you want?
- Where do you want the Academy to be in five to ten years?
- What direction do you want to go in?

It should be concise, inspirational and realistic.

The **Mission Statement** should also be concise, inspirational and realistic. It should address the following questions.

- What distinctive programs and curricula are we offering?
- What is our educational philosophy?
- What is our target market?
- What are our values?

Vision and Mission statements should be promoted. Opportunities for display of the statements include:

- Academy entrance
- on letterhead, websites, promotional materials and flyers
- referenced in training, professional development events and board meetings

Number 4

Plan for the Future

“Inclusion is Not Simply About Physical Proximity. It is About Intentionally Planning for the Success of all Students.” (Anonymous)

An effective Academy Board develops and implements a written **Strategic Plan** to ensure the Academy stays on a path toward fulfilling its mission and vision. The school leader or ESP manages day-to-day operations, but the Board establishes the Academy’s direction in its long-range Strategic Plan. The process articulates the vision and mission into clear annual goals and objectives. Each goal includes outcomes data that can be measured and monitored for progress, and used to formulate school improvement strategies. By including representatives from all stakeholder groups, the process encourages consensus building and mutual ownership of the plan.

The strategic plan is typically developed during a Board retreat or workshop. The team should be small and manageable, but representative of the stakeholders (i.e., parents, staff, Board, community members). Include individuals with a variety of backgrounds, talents, personalities and thinking styles. The purpose of the process is to develop a document that can be understood by stakeholders; that includes the vision and mission statements, annual and long-term objectives, functional strategies, assigned individual responsibilities, and status toward meeting goals. A SWOT analysis (strengths, weaknesses, opportunities, threats) might be used.

Steps in strategic planning may include:

- asking strategic questions
- setting goals
- implementation strategy

Strategic questions may deal with:

- Is the Academy in line with founding statements? If not, should the Academy change or should the founding statements change?
- What external factors have an impact on the Academy?
- What are the strengths, weaknesses, opportunities and threats?

Using vision and mission statements and the answers that are generated by asking strategic questions, the Strategic Planning Committee should create long-term goals. At a minimum, goals should include:

- student achievement and growth
- professional development for the Board, school leaders and professional staff
- financial stability
- facility development and improvement
- enrollment management
- external and internal relationships

After setting goals, the Committee should focus on implementation strategies, noting how and by whom progress will be monitored.

Helpful Hint: The Board might consider a facilitator to assist with this process.

Number 5

Govern by Policy

“The Principle Goal of Education is to Create Men and Women who are Capable of Doing New Things, Not Simply Repeating What Other Generations Have done.” (Jean Piaget)

One of the critical roles of a public school board is to establish policy and then ensure it is governing consistently with policy language. By developing and adopting comprehensive board policies, public school boards are positioning themselves to govern in a proactive versus reactive environment, using policy as a guide in decision-making versus referring to policy *after* circumstances develop and/or surface.

At a minimum, public school boards should adopt policy that codifies the legalities of operating a public school. These policies might include, but not be limited to:

- Non/Anti-Discrimination
- Section 504/Americans with Disabilities Act
- Student Privacy and Parental Access to Information (FERPA)
- Admission of Students
- Anti-Harassment and Bullying
- Drug-Free Environment
- Suspension and Expulsion
- Student Seclusion and Restraint
- Wellness

It is important to note, however, that whether a board has adopted policy or not, laws must be followed – written policy is a way to commit laws and legalities to practice.

Beyond legal policy, there may also be best practice policy(ies) that boards may wish to establish and adopt. Examples of best practice policies might include, but not be limited to:

- Certain board functions and practices (i.e. filling board vacancies, posting meetings, board duties, etc.)
- Assessment of Goals
- Curriculum Development
- Adoption of Courses of Study
- Homework
- Board/Staff Communications
- Staff Ethics
- Personal Communication Devices

Best practice policies are generally customized to meet the policy needs of the particular school over which a board is governing.

The National Charter Schools Institute services charter school boards in policy development. The Institute offers a cadre of policies from which boards can make policy customization and adoption decisions.

Number 6

Fulfill your Regulatory Responsibilities

“You Can’t Solve a Problem on the Same Level it Was Created. You have to Rise Above It to the Next Level.” (Albert Einstein)

The Revised School Code and the charter contract require the Academy to be **compliant with the contract and applicable law**. Epicenter, the web based oversight tool that files documents and tracks activities that must be filed with the Charter Schools Office, measures the “compliance rate” or the percentage of required reports filed on a timely, complete and accurate basis. No less than 100% compliance is expected from FSU authorized academies. The Charter Schools Office contracts with a number of organizations to check on compliance issues and Field Representatives from the Charter Schools Office attend some board meetings, visit the academy and file reports. The Academy is required to include a number of documents on its website. The Board is responsible, ultimately, for compliance with the contract and applicable law. Board members should receive periodic reports from the school leader or ESP regarding compliance with applicable law and the contract. Board members are encouraged to become familiar with the contract (see **Appendix J**).

Additionally, the Board is expected to understand Michigan’s Open Meetings Act and its relation to a Board’s public meetings. (see **Appendix D** for **Board Meetings At-a-Glance**)

Fiduciary Duty

Fiduciary duty involves three areas: duty of care, duty of loyalty and duty of obedience. As a member of the Academy Board of Directors, you owe a fiduciary duty to the authorizer, the State, the Federal Government and the public to perform in the best interest of each. This means that each transaction must be conducted in a manner consistent with the mission of the Academy. The taxpayers of the State of Michigan essentially “own” your Academy. As such, Boards must be able to explain and defend the expenditure of every cent of state or federal money.

Number 7

Engage in Effective Financial Oversight

“An Investment in Knowledge Always Pays the Best Interest.” (Benjamin Franklin)

Financial oversight is second only to student achievement in importance as a Board responsibility. Board members have a responsibility to ensure that school leaders or the ESP have competently and effectively managed the Academy’s finances. As a Board member:

- Do you know when spending does not line up with the adopted budget?
- Do you understand the financial reports?
- Do you require your school leaders or the ESP to explain discrepancies and overspending of the budget?

Your responsibility is to ensure that budgets, budget amendments and quarterly financial reports are made with Board involvement on a timely basis.

- Do you receive the proposed budget far enough in advance of the scheduled budget hearing to permit you time to review it, understand it, frame meaningful questions, and negotiate changes?
- Do you compare the proposed budget with past budgets to understand income and expense trends?
- Do you ever ask the accountant or auditor for assistance in understanding the budget?

A **financial audit** is required to be conducted annually by an independent auditor. By contract, the auditor must be different from the ESP’s auditor.

- Does the auditor explain the audit to the Board?
- Is the explanation understandable?

Board member responses to expressed concerns in the audit and management letter are appropriate.

Enrollment management is part of the financial oversight responsibility.

- Is enrollment stable and near capacity?
- What is the Academy’s attrition rate?
- What are the reasons for attrition? This issue may need to be addressed in the Board’s strategic planning.

See **Appendix E “Basic Financial Statements”** for additional information.

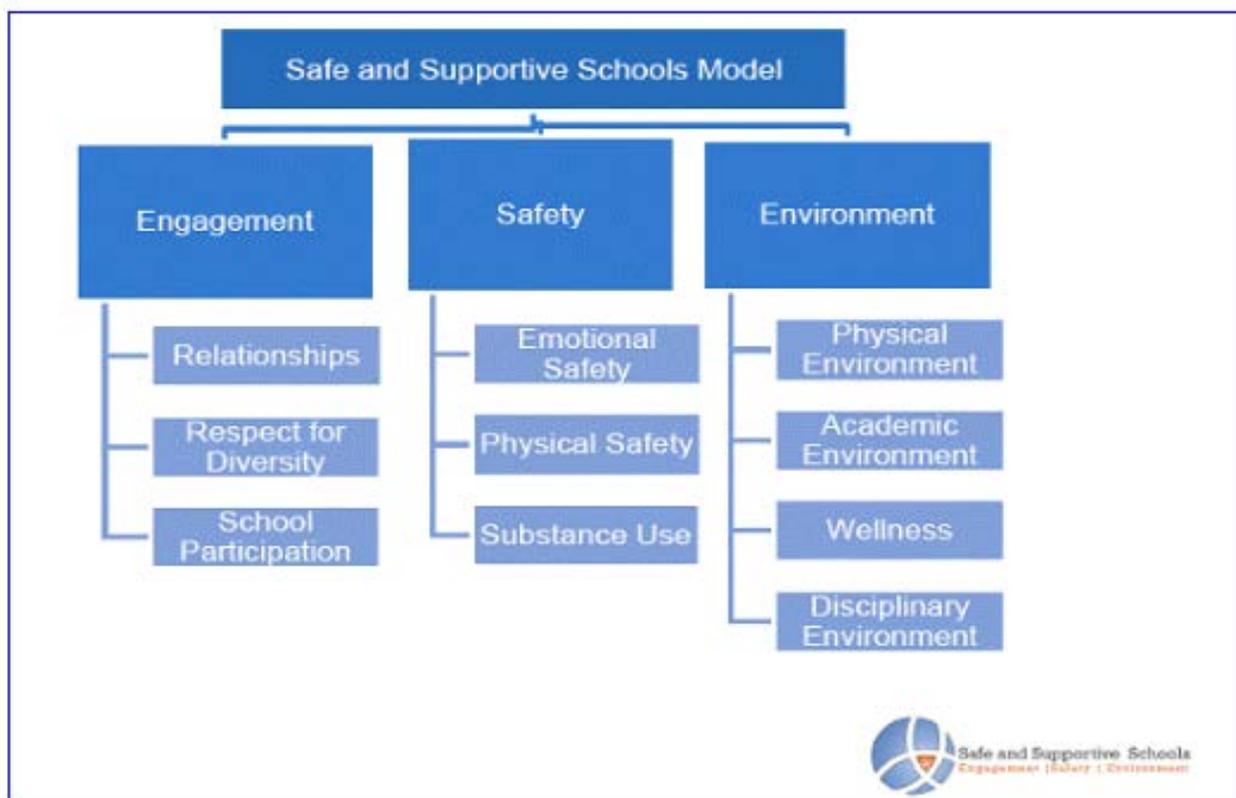
Number 8

Ensure a Safe and Orderly Environment

“Education is the Most Powerful Weapon Which You can Use to Change the World.” (Nelson Mandela)

For parents, public school safety remains a primary concern when making decisions about where their child/children will be educated. It is incumbent upon boards to ensure that the schools over which they are governing represent the highest of safety standards both on the exterior and interior of the grounds and facility. A safe and supportive school addresses climate and culture in three, primary areas: engagement, safety and environment.

The Safe and Supportive Schools Model, as published by the U.S. Department of Education outlines the three key climate and culture focuses, defining each as follows:



It is also incumbent upon school boards to ensure that the vision, mission, values and/or policies adopted by the board captures the essence of these key characteristics, recognizing that “without a minimum level of safety and order, a school has little chance of positively affecting student achievement.” (ascd.org – as printed in Robert J. Marzano’s publication *What Works in Schools*). Please see page 8: **Number 4 – Plan for the Future.**

“Strive for Progress, Not Perfection.” (Anonymous)

The legal and regulatory framework under which charter schools operate and charter school boards govern allow charter school boards to contract with a third-party educational service provider (“ESP”) for certain services. This typical legal arrangement is consummated through the execution of a “management agreement” that outlines, in part, the intended services management promises to provide to the charter school board, on behalf of the charter school over which the board is governing. Depending upon the agreement and the agreed upon provisions, these services can range from rendering human resource services to a more comprehensive menu of service delivery. In most scenarios, this agreement becomes a part of the charter contract; therefore, management becomes accountable to the charter contract for performing the outlined services in compliance with charter contract provisions (provisions that are applicable to the agreement pursuant to the arrangement between the board and management). In no way does this relationship constitute an abdication of authority by the board, but, rather, an appropriate ministerial delegation of board responsibilities concerning the daily functions necessary to operate the charter school. See **Appendix F** for ***Non-Delegable Board Functions***. See **Appendix G** on how to access your management contract.

The charter school contract is executed between the charter school board and the governing body of the authorizing entity. Upon executing the charter contract, charter contract oversight becomes the primary role of the authorizer. Because the charter school board is a party to the contract, the board maintains legal authority over *ensuring* that all elements of the charter contract are followed and all goals are met and/or exceeded. In a management relationship, it is incumbent upon the board to establish or expect to be established, systems, processes and/or tools that help ensure to the authorizer that:

- Academic outcomes are being achieved;
- Fiscal integrity is being honored; and
- Compliance requirements are being satisfied.

Formal assurance reporting from the ESP to the board is typically conducted during a public board meeting with a communication flow from the ESP’s representative to the board. Management should report to the board in a manner and in a format that has been mutually agreed upon between the board and management.

In addition to assessing performance through routine reporting, charter school boards have a responsibility to evaluate, formally, their ESPs. The FSU CSO has established an evaluation instrument to be used for this process (see **Appendices H and I** for the ***Educational Service Provider Policy*** and ***ESP Evaluation*** instrument).

Number 10

Develop Capacity to Govern Well

“You Never Fail Until you Stop Trying.” (Albert Einstein)

Board Officers:

Officers are elected by the board at the board’s annual organizational meeting. Officers serve in their individual capacities until the next organizational meeting.

- **President:** Presides at meetings; coordinates communication with the ESP and school leader; serves as a role model and mentor for other Board Members; coordinates the preparation of the agenda; signs contracts as authorized by the Board; and coordinates Board activities and processes

Helpful Hint: Ensure Board president has leader-like qualities and truly wants to take on the duties of President

- **Vice President:** Assumes functions of the President when the President is absent; performs other specific functions assigned by the President; serves as a vital part of Board leadership

Helpful Hint: Vice President’s qualities should complement those of the Board President

- **Secretary:** Maintains all board records and ensures their accuracy and safety; may record board minutes; certifies and distributes board meeting minutes, orders and resolutions; and provides notice of Board meetings as required under the Open Meeting Act

Helpful Hint: To ensure full board participation and attention, a Board may desire to delegate meeting minute recording to another person/entity

- **Treasurer:** Acts as the custodian of corporate funds; ensures that accounting staff follow appropriate guidelines; disburses funds only as authorized; analyzes fiscal reports to the Board; monitors compliance requirements; and coordinates the preparation and presentation of the annual budget to the Board.

Helpful Hint: Your Board treasurer is not required to be a CPA but should have a good understanding of numbers

The Academy Bylaws may provide for the appointment of assistants to the officers; check your Bylaws. The Academy’s full Contract is available on the CSO website. Please see **Appendix J** for the link.

Academy Boards are required to participate in **board training and professional development**. In addition, applicants for Board membership agree to participate in an online orientation unit, comprised of several lessons that provide a good foundation for new Board members. An effective Board will demonstrate a strong commitment to continuous improvement by engaging in professional development. Training will increase the Board’s capacity to accomplish its responsibilities, overcome challenges and work together effectively. Professional development can help Board members understand their curriculum, state and authorizer assessment requirements, student achievement, financial stewardship and compliance requirements. Board members must distinguish their role as a

governing board from that of management, especially the tendency to micromanage; training can help them distinguish the difference. Training can also help Board members perform their responsibility to hold the ESP accountable for performance.

Effective Boards also “self-perpetuate” by constantly being on the lookout for new members willing to serve. Once the seven-member Board limit is reached, it is always helpful to have some people in an applicant pool who can join the Board (with Ferris State University appointment) if a member needs to resign for any reason.

See **Appendix K** for *Board Professional Development Requirements*.

See **Appendix L** for *Board of Directors Member Application Process*.

Appendix

A. Top 10 Ways to Add Value to Your Academy

B. Educational Goal Policy

- Please visit www.ferris.edu/charterschools, choose *Resources*, then *FSU-CSO Contract Processes, Services and Guidelines*

C. Contract Performance Report for current year

- Please visit www.ferris.edu/charterschools, choose *Authorized Schools*, then the appropriate academy, and *PERFORMANCE DATA*

D. Board Meetings At-a-Glance

E. Basic Financial Statements

F. Non-Delegable Board Functions

G. Management Contract

- Please visit Epicenter, choose *School Center*, then your School's name. Click *Submissions Tab*. Scroll down under "Key Submissions" to "Management Contract". (must have Epicenter access)

H. Educational Service Provider Policy

- Please visit www.ferris.edu/charterschools, choose *Resources*, then *FSU-CSO Contract Processes, Services and Guidelines*

I. ESP Evaluation

- Please visit www.ferris.edu/charterschools, choose *Resources*, then *Board Resources*

J. Contract between Ferris State University and Academy Board of Directors

- Please visit www.ferris.edu/charterschools, choose *Authorized Schools*, then the appropriate academy, and *CONTRACT*

K. Board Professional Development Requirements

L. Board of Directors Member Application Process

M. Common Terms and Themes for Charter School Boards (acronym list)

Top 10 Ways to Add Value to Your Academy

It is recommended that this be reviewed before the beginning of the school year with the academy board president, ESP representative and field representative. *It might work best to review with entire board and to review on a regular basis. It may also be helpful to reference/review the Mid-contract and Re-authorization Review rubric.*

1. Define, clarify and discuss the **role of the board and ESP**.
 - Board: direct, expect, check, appreciate, learn, repeat
 - ESP: Implement, assess, report, appreciate, learn, adjust, repeat
2. Focus is **student achievement**- this is the main goal. Student growth needs to be addressed first, followed by achievement targets. Contractual goals are in place to hold everyone accountable. Use all available data – effective data teams are a must. Constantly ask these questions:
 - a. What do we want our students to learn?
 - b. How will we help them learn what has been determined to be most important?
 - c. How will we know if they have learned?
 - d. What will we do for the students who have learned and those who have not learned?
3. **Core Values** drive vision and mission statements. All must be communicated, reviewed, evaluated, discussed and revised regularly by all stakeholders. Board must be an example of this process. Item of each regular board meeting. Each item drives school activities.
4. The board must have an updated **strategic plan**. The board must actively follow their strategic plan.
5. The board must have updated **policies and procedures**. They must use these when appropriate in their decision making.
6. The board must be in **compliance** with all state laws and Authorizer’s contract. Board must actively engage in **professional development**.
7. **Student achievement/growth** must be reported at every regular board meeting. Discussion of this information is important. The **School Improvement Plan** and **Invigorating Excellence Plan** must be followed.
8. The ESP must provide the board with assurance that all **staff** meet/exceed all state requirements, that they are highly competent and that they are continuously trained with Best Practices for teaching and learning.
9. Board has established and is engaged in a timeline for **budget development**. Budget reports are given at each regular board meeting.
10. All stakeholders need to assure that all students are provided with a **safe and orderly environment** that is conducive to student learning. We are helping students achieve their best future.

Board Meetings At-a-Glance

Based on the Open Meetings Act, Charter Contract and the Authorizer's Best Practices. Please contact the Charter Schools Office with specific questions.

Regular Meeting:

- Annual Board Calendar posted 10 days after the first meeting of the Board in each fiscal year
- Individual meeting notice posted 10 days prior to the meeting date
- If there's a change in the Annual Board Calendar, the revised Calendar must be posted 3 days after the meeting at which the Board approves the revision

Rescheduled Meeting:

- Isolated change in the date of a single regular meeting
- Requires 18-hour notice/posting
- Rescheduled meeting must be scheduled during an open meeting

Special Meeting:

- Held for a specific purpose and for matters or issues that cannot wait until a regularly-scheduled meeting
- Requires 18-hour notice/posting
- Cannot be held in lieu of a regular meeting
- Notice/posting must include "For the purpose of _____" for transparency purposes
- The Board can consider/act on only those items that are listed as the purpose. No other items should be considered.
- Special Meetings can only be called by Board members
- Board Retreats are considered Special Meetings

Closed Sessions:

- A closed session cannot be held unless its purpose is expressly recognized as legitimate by the Open Meetings Act. The purpose for the closed meeting must be identified in the minutes of the open meeting.
- Legitimate Purposes for Closed Sessions:
 - ✓ Complaints and Disciplinary Action against an employee or Board member *if the named person requests a closed hearing*
 - ✓ Periodic Personnel Evaluations of an employee or Board member *if the named person requests a closed hearing*
 - ✓ Student Discipline, *if the student, student's parent or student's guardian requests a closed hearing*
 - ✓ Collective Bargaining Strategy
 - ✓ Purchase or Lease of Property
 - ✓ To consult with attorney regarding specific pending litigation, *only if an open meeting would have a detrimental financial effect on the litigation or settlement position of the public body*
 - ✓ Applications for Employment and Appointment to Public Office, *only if the candidate requests that the application remain confidential*
 - ✓ Consideration of Material Exempt from discussion or disclosure by state or federal statute including an attorney's written legal opinion, not oral
- All decisions by the Board must be made in the open meeting

Quorum:

- As provided in the Academy's Bylaws, a quorum is a majority of the number of Board positions. Since the Academy Board has seven (7) positions, a quorum is four (4).

Basic Financial Statements

Governmental Accounting is the method of accounting that Public School Academies use. Governmental Accounting operates using Fund Accounting, which emphasizes accountability over profitability. Fund Accounting is a self-balancing mechanism that sets apart specific "Funds" for specific purposes; those fund types are Governmental, Proprietary and Fiduciary Funds.

The Balance Sheet is the position of the Fund or Academy as of a specific date. There should be a separate Balance Sheet for each fund the School operates. The three components of the Balance Sheet are Assets, Liabilities and Fund Balance. The Balance Sheet can be expressed in the formula: $Liabilities + Fund\ Balance = Assets$, which means that the Liabilities and Fund Balance added together, must equal the Total Assets balance.

The Income Statement can be compiled for any specific time period, but generally is prepared quarterly or annually for each Fund of the School. This statement compiles all of the revenues and all of the expenditures for the time period specified, and the net is what is added to the beginning Fund Balance on the Balance Sheet.

The Budget to Actual is a report that depicts the Income Statement, which is the "Actual" information for the period, compared to the Original Adopted Budget for the Fiscal Year. The Uniform Budgeting and Accounting Act requires that the Academy Board adopt a budget at a public hearing prior to the start of the fiscal year for the General Fund and any Special Revenue Funds; **any variance from Actual above 1% is considered a violation of the Act.**

State Aid

The primary source of Revenue for many Public Schools is State Aid. State Aid funds are based on a dollar amount (foundation) per pupil for each student in the School District. Each School District undertakes student population counts in the fall and again in the winter each school year to determine student membership; these population counts are the basis for the amount of State Aid each School will receive.

State Aid Payments go directly to the authorizer—Ferris State University. FSU charges 3% for an administration fee and reduces the State Aid payment by that amount and then remits the remainder to each School. FSU only takes the authorizer fee from the school foundation amount, and not from title programs or special education.

Reporting Requirements

Public School Academies have many reporting requirements throughout the fiscal year to meet requirements set forth in the contract, Grant agreements and Federal or State statutes. As the authorizer for the Academy, FSU requires the submission of specific financial statements for review on a quarterly basis: a Balance Sheet, Income Statement (year-to-date) and a Budget to Actual (year-to-date).

Among the most important requirements are an annual Audit that must be performed by an independent Certified Public Accountant and State Aid Financial Status Reports.

Resources

There are many resources available to Board Members for guidance, financial information or research:

- The Center for Education Performance & Information (CEPI)
- The Michigan Department of Education
 - Website: www.michigan.gov/mde
 - The Michigan Public School Accounting Manual
- The Certified Public Accounting Firm who performs the Annual Audit
- The National Charter School Resource Center: www.charterschoolcenter.org
- The Ferris State University Charter Schools Office

Non-Delegable Board Functions

(The following is a non-exhaustive list of common actions of a public school academy's board of directors that, by State statute or the terms and conditions of the authorizing contract, cannot be delegated.)

1. Ratifying or amending the academy's Articles of Incorporation, Bylaws, and Authorizing Contract
2. Requesting revisions to the authorizing contract
3. Adopting the academy's budget and budget revisions
4. Adopting curriculum and curriculum amendments
5. Establishing educational goals for the academy
6. Adopting a school calendar
7. Selecting the academy's external auditor
8. Selecting the academy's legal counsel
9. Selecting and nominating persons to the academy's board of directors
10. Removing incumbent board members
11. Electing officers of the board of directors
12. Appointing designees to act on the board of directors' behalf
13. Adopting the annual board meeting calendar
14. Adopting and executing the educational service provider agreement and amendments
15. Expelling students
16. Determining whether to unconditionally reinstate, conditionally reinstate, or deny reinstatement of students expelled under MCL 380-1311
17. Adopting certain school policies
18. Appointing board committees or delegates
19. Borrowing financial funding for the academy
20. Determining if food service and/or transportation is provided to students
21. Signing checks on the academy's behalf except to individuals directly employed and/or designated by the board
22. Calling for special board meetings
23. Approving the selection of nationally-normed standardized testing
24. Entering into binding agreements on behalf of the academy
25. Approving and correcting minutes of board meetings

Adapted from Central Michigan University Charter Schools Office



Board Professional Development Requirements

- All boards must acquire at least three (3) professional development activity credits per year (July-June)
- At least two or more members must participate in the annual requirement in order for credits to be awarded
- All new board members must view Unit 1/Orientation of the Online Board Development within the first 30-60 days of appointment, but does not count towards the annual board requirement
- Each board's professional development activity will be reflected in the annual Contract Performance Report

Ways to Earn Professional Development Activity Credits

Professional Development Activity	Description	Number of Activity Credits Awarded
Annual Board Retreat	Retreat sponsored by the respective charter schools Board of Directors	2 Activity Credits per year
FSU Sponsored Board Development	Professional development sessions periodically sponsored by Ferris State University Charter Schools Office (e.g. webinars, dinner/development, full-day conference)	1 Activity Credit per session
FSU Online Board Development	Online Board training presentations	.25 Activity Credits per presentation
Attending meetings of another public governing board	City, county, state, public school board meetings, foundation board meetings	1 Activity Credit per meeting
Attending educational workshops/conference	Any educational workshop or conference (e.g. MAPSA)	1 Activity Credit per workshop/conference



Board of Directors Member Application Process

1. Applicant completes “*Charter Schools Office Questionnaire For Academy Board of Directors*” (available at www.ferris.edu/charterschools - click on “Resources”, then “Board Resources”)
2. The Board of Directors for the specific Academy requests applicant to attend a Board meeting and endorses the applicant’s application by formal vote at a regular meeting of the Board.
3. Completed questionnaire is submitted to Epicenter, along with a copy of a resume and either a copy of a passport or birth certificate.
4. The applicant’s file is processed:
 - a. Potential conflicts of interest concerns are reviewed
 - b. Criminal record search is conducted
 - c. Google search conducted
 - d. The Board of Directors roster for the Academy for which the applicant is applying is checked as to whether there are vacancies
 - e. Applicant’s file (along with search results) is reviewed and discussed with CSO Director
 - f. Appropriate board president, school leader, management company and field representative are contacted for additional info as necessary
5. An acknowledgement letter is sent to the applicant indicating the application has been received. If there are no vacancies available for the Academy the applicant is applying for, the letter will indicate that the application will be held in the active applicant pool until such time that a vacancy occurs.
6. The Board Liaison conducts phone interview with the applicant, stressing to candidate that appointment is contingent on Ferris State University Board of Trustees approval.
7. The applicant’s name is forwarded to the Ferris State University Board of Trustees for approval at its next scheduled meeting at the CSO’s discretion.
8. Once approval is received, a letter confirming the approval is sent to the applicant.
9. The appropriate field representative meets with the approved candidate prior to the first Academy Board meeting, reviewing Board Handbook.
10. An oath of office must be administered and notarized prior to the approved applicant being seated on the Academy’s Board.
11. All approved Academy Board candidates must complete online Board training within the first 30 days of appointment.



Common Terms and Themes for Charter School Boards

The Ferris State University (FSU) Charter Schools Office (CSO) must provide oversight and information for its 20 Public School Academies (PSAs – legal name for charter schools). The following is a list of some useful clarifiers.

Academic Achievement	<p>Either based on proficiency/benchmark scores or a comparison with student students.</p> <ul style="list-style-type: none"> • MSTEP sets proficiency scores. CSO wants a school's percentage of proficient students to be higher than your Composite District. • SAT gives each student a score. The CSO wants to see the average score increase each year and the average score be equal or better than the Resident District. • MAP tests give each student a Spring Achievement Percentile that compares the student's score with all other students in the United States that took that test. The CSO wants the average of the percentile scores to be increasing each year with a goal of being at the 50th percentile.
Academic Growth	<ul style="list-style-type: none"> • MSTEP provides Student Growth Percentile which determines how much a student grew from last Spring compared to similar students in Michigan. CSO wants average to be 40%. • SAT gives each student a score. The CSO wants the average score to show a 30-point growth from the PSAT 10 scores. • MAP provides Growth Percentile which compares student growth from Fall to Spring with students nationally. CSO wants average to be 50%.
AFT	American Federation of Teachers
CHRI	Criminal History Record Information
Contract Performance Report (CPR)	Annual compilation of academic, governance, compliance, financial, demographic, and other information distributed to board members and available on the CSO website.
Compliance	The key factor in oversight. Charter schools submit information to Epicenter, a web-based information and data warehouse that also sends reminders and late notices of required documents.
Composite District	A proxy district using the weighted average of the public school districts where your Academy's students reside.
CPR	Contract Performance Report

Educational Service Provider (ESP) Evaluation	Annual process used by the Board to improve operations, academic/staffing/financial measures and results, as objectively as possible, through discussions with your ESP.
ELA	English Language Arts
ELL	English Language Learner
Epicenter	Web-based information and data warehouse that also sends reminders and late notices of required documents as part of Compliance.
ESP	Educational Service Provider or Management Company
ESSA	Every Student Succeeds Act
FERPA	Family Education Rights & Privacy Act
FOIA	Freedom of Information Act
FTE	Full-time Equivalent
IDEA	Individuals with Disabilities Education Act (special education)
IEP	Individualized Education Plan (special education)
ISD	Intermediate School District (sometimes called an RESA, ESD, ESA or RESD) assists local districts and charter schools with services and programs
LASO	Local Agency Security Officer (part of Criminal History Record Information – CHRI)
LEA	Local Educational Agency refers to any traditional public school in Michigan.
MAP	Measures of Academic Progress. CSO required assessment for grades 2-8 in reading and math. Nationally normed. Administered in Fall, Winter (optional) and Spring. Boards receive Fall to Spring growth data and Spring achievement data
MAPSA	Michigan Association of Public School Academies
MCL	Michigan Compiled Law
MDE	Michigan Department of Education provides services, including a PSA Unit for support, and receives many mandated reports from your school
MEA	Michigan Education Association (teacher union)
MHSAA	Michigan High School Athletic Association
Mid-Contract/Reauthorization Visitations	Internal review by your school, conducted by CSO staff. Board members should be interviewed and the Board receives a draft and then a final report
MSTEP	Michigan Student Test of Educational Progress for grades 3-8 and 11. Administered in the Spring. Produces statewide averages for growth and proficiency. The CSO focuses on English Language Arts (ELA) and Math
NCSI	National Charter Schools Institute
OMA	Open Meetings Act
PSA	Public School Academy
PSAT	Preliminary Scholastic Aptitude Test for grades 9 and 10
PAM	Pupil Accounting Manual

QPRG	Quality Performance Resource Group – company who performs personnel verification audits for the CSO
Resident District	Traditional public school district where your academy is located.
SAT	Scholastic Aptitude Test. Required by the State for all 11 th graders and 12 th graders who did not take the test in 11 th grade. Nationally normed. PSAT and SAT are part of the College Board organization
School Support Process	The CSO annually reviews academic, compliance, governance and financial data and, after much discussion, assigns a color (red, yellow or green) for each charter school. Support will be provided based on the school’s needs with the frequency determined by your color (red=regular visits; green=least visits). Yellow and Red schools submit Action Plans to Epicenter to address concerns.
SST	School Support Team
USDOE	United States Department of Education