

**MSBO - ISD Committee  
Meeting Minutes  
June 15, 2023 – 9:30 AM  
MSBO Office & zoom, Lansing MI**

**2022-23 ISD Committee Officers:**

Shay Anderson, Chairperson, Clare-Gladwin RESD  
Linda Bielecki, Vice Chairperson, Northwest Education Services  
Scott Kemmer-Slater, Secretary, Gratiot-Isabella RESD  
Christopher Lamer, Officer of Special Projects, Ottawa Area ISD  
Kerri Harrie, Officer Elect, West Shore ESD  
Kevin Kolb, Past-Chairperson, Gratiot-Isabella RESD

[Agenda](#)

1. Called to order at MSBO offices (and via zoom) by Vice Chair Linda Bielecki at 9:30 AM. In-person attendance: Linda Bielecki, Scott Kemmer-Slater, Kerri Harrie, Kevin Kolb, Mark Oriol, Heidi Gruno, Stephanie Weese, Mark Ludlow, Brian Marcel, Bob Dwan, MSBO, David Martell, MSBO. Many members and guests online via zoom.
2. [Approval of March 18, 2023 meeting minutes](#) - Mark Ludlow made the motion, Chris Lamer supported - approved unanimously.
3. [Legislative Update](#) – Bob Kefgen, Assoc. Dir. of Govn't Relations, MASSP
  - a. Contact information
    - i. Twitter: @MASSP
    - ii. [bob@massp.com](mailto:bob@massp.com)
    - iii. (517) 896-5636
  - b. Budget
    - i. Don't have it yet. We have targets. Given to chairs earlier this week. Timeline: End of this week. Seems ambitious.
    - ii. Can look at three budgets side-by-side and compare them.
    - iii. Big ticket items (Slide 4)
      1. Foundation 4-6%
      2. At Risk \$64.7m to 273.9m increase
      3. 100% of foundation for Special Education
      4. ELL \$1.3m to \$26.4m increase
      5. All have school safety and mental health funding
    - iv. Common items (Slide 5)
      1. All three chambers put these items in.
      2. Student teacher stipends still there
      3. Future teachers payments still there
      4. These are the first items to agree on

5. Further negotiations on the items not agreed on
- v. Other items (Slide 6)
  1. Governor and House
    - a. Mentoring
    - b. GSRP Expansion
  2. House
    - a. MPSERS offset
    - b. 2-year average pupil count
    - c. Transportation (SFRC)
  3. Senate
    - a. Salary incentive pilot
    - b. Student loan repayment for frontline educators
    - c. Local district based pre-school at 1.2 FTE/pupil
  4. Very different approaches to early childhood
- vi. Pupil accounting (Slides 7 and 8)
  1. House - Average of 2 fiscal years - Annual count still 10/90
  2. All 3 - Middle college FTE cap: 5.0 FTE total, can be >1 in single year
  3. Alternative count day taking into account religious holidays
  4. All 3 - FTE penalty if TOR is not "appropriately placed." Section 6(8)) (Slide 9)
    - a. Changing definition of "appropriately placed" teacher. Must have grade level and subject matter endorsements.
    - b. Teacher Credential Report will be available in August. It will be a "live" report (not looking back). Will compare SCED Code to MOECS endorsements for TOR listed in REP. Unresolved problems will result in loss of FTE for students or salary of teachers.
    - c. This is not new. Very little awareness at the local district level. Concern is local districts' understanding of the placement rule is not great.
    - d. Districts can pull full-year permits if the master schedule has already been finalized.
  5. House & Senate - Virtual courses - Can be less than 50% virtual and no parent permission for first 15 days
  6. House & Senate - Districts using PD as instructional time will be denied additional forgiven days
  7. Trying to figure this out prior to districts being financially impacted
- vii. Year 2 Date (Slide 17)
  1. Not a lot of it means a lot to school districts
  2. Laws will not take effect until 90 days after the legislature adjourns for the calendar year. The legislature may give immediate effect to acts by a two-thirds majority in each house. Could be as late as

March 2024. Depends on when the Senate and/or House end the session for the year. (Slide 18)

3. Laws without immediate effect (Slides 19-21) - Repeal of Right to Work, prevailing wage, repeal of A-F school grades.
  4. Law with immediate effect: Sinking funds (Slide 22) - Transportation. Must have gone to ballot after taking effect.
  5. Reciprocity (Slide 23) - Not done yet.
    - a. Waiving requirements with 3 year of experience outside of Michigan
    - b. Wave passing score on teacher cert test other than MTTC
    - c. Allows MDE to accept certs from other countries or federally recognized tribes
- viii. Looking Ahead (Slide 24)
1. Prohibited subjects (HB 4354-57) (Slide 25)
    - a. Repeals PA 260 of 2011 - Teacher placement, layoffs, evaluations, etc.
    - b. Repeals prohibition on bargaining whether to contract non-instructional services
  2. The One Off Fix (Slide 26)
    - a. New bill proposed to amend layoffs/recall (Sec. 1248)
    - b. Goal - Create a statutory process for teacher placement similar to that for layoff/recall
    - c. Reality - Proposed bill screws up layoff-recall statute without actually doing anything to fix teacher placement
    - d. Currently with the House
  3. Other Prohibited Subjects (PA 112 of 1994) (Slide 27)
    - a. Could be huge debates
  4. Step Freezes & Health Care (HB 4044) (Slide 28)
    - a. Repeals PA 54 of 2011.
    - b. Step freezes when contracts expire, employees paying all health care increases, etc.
  5. Union Dues Collection (HB 4233) (Slide 29)
  6. Retiree Return to Work (HB 4752) (Slide 30)
    - a. Not a perfect fix
    - b. Flexibility
      - i. 30 day wait, cap \$10k per year
      - ii. 9 month wait, no cap on income
    - c. Restarts 9 month wait
    - d. Alternative proposals (Slide 31)
      - i. Higher income cap
      - ii. Allow time spent under the cap to count toward sit out

- iii. 30 day sit out w/ no earnings limits but require employers pay normal retirement rate and health care, etc.
    - e. Educator evals (SB ??? and HB ???) (Slide 32)
      - i. Bills just dropped yesterday
      - ii. Significant changes to current process
    - f. Health care re-reform -
      - i. Hard cap or 80/20
      - ii. Speculation at this point
  - ix. Question: What is the likelihood of the 80% cyber school foundation passing?
    - 1. Answer: Best guess, foundation goes to 100% and other items are passed based on agreement between republicans and democrats
  - x. Question: School Aid
    - 1. Answer: Not sure it will be passed by the end of this week. Will know by next Tuesday (6/20). See us having a budget by summer.
- 4. [Special Education Fiscal Updates - John Andrejack, MDE](#)
  - a. Value hearing from ISD business officials
  - b. 2023-24 MOE eligibility timeline
    - i. Mid-July
      - 1. Rationale - There is information tied to the Office of Special Education (OSE) determinations, which comes out at the end of June
      - 2. MDE OSE provides it for input into Catamaran
      - 3. There isn't a due date - Federal grant (Part B - Flowthrough and Preschool) cannot be approved until ISD (subrecipient) must meet MOE eligibility requirements.
      - 4. No repayment for failing to meet eligibility other than accessing the funds
      - 5. No concerns on ISDs meeting it
      - 6. Doesn't change the obligation date (July 1st)
      - 7. Used to have a launch webinar. Moving away from that if there is nothing new. Catamaran still has training modules.
  - c. FY2024 Part B Flowthrough, Preschool, and GSSG
    - i. Wanted to get it out in early May but didn't get the estimated state award until that time, delaying getting the estimated allocations to ISDs
    - ii. Estimates end up being the final allocations unless there is a reduction in funding to Michigan.
    - iii. Question - Debt ceiling - Answer: John having conversations to see if debt ceiling will have any impact on special education federal funding
    - iv. GSSG - Available around July 1st in NexSys and Catamaran. Flowthrough and Preschool available now.
  - d. Final cost reports

- i. Due dates
    1. SE-4096 - September 30, 2023
    2. SE-4094 - October 7, 2023
  - ii. Reviews
    1. Reduced staff leading to reviews based on areas of risk
    2. Still trying to right size it based on OSE staff
- e. Areas of Responsibilities for MDE OSE staff
  - i. Currently have no civil servants.
  - ii. Expecting return of Shelby Zenk shortly after July 4, 2023
  - iii. Cindy Keller Contact Info
  - iv. Tonya Gray - Contracted worker helping with Flowthrough, SE-4096 reviews
  - v. Working on identifying primary contacts as individuals are hired
- f. Program Fiscal Reviews
  - i. Creating a financial analyst position to support program fiscal monitors
- g. Creating an MDE-OSE Program Finance email address
- h. Section 147c(2)
  - i. The effect on MOE (State Level and LEA)
    1. 90-day letter to US Department of Education
    2. Response to letter cannot exclude the 147c(2) since MDE is already including the 147c for State Level of Maintenance of Fiscal Support (SMFS).
    3. MDE has been including the 147c for several years
      - a. Approximately 14% of the allocation
    4. MDE has to include approximately \$170 million for the SMFS. This amount will be mitigated (offset) by an increase of the special education foundation paid in addition to percentage of costs reimbursement. Shouldn't impact current grant due to this and an increase in special education spending.
    5. From an LEA MOE perspective, ISDs and their member districts are not required to include the 147c(2) amounts on the SE-4096 and SE-4094. How ISDs report costs are up to ISDs and their member districts - MDE OSE won't be making any recommendations and reaching out to ISDs if they report the 147c(2) costs.
    6. SMFS is based on what is made available for special education (appropriations) and LEA is based on reported special education costs.
- i. Proportionate share
  - i. For ISDs have not spent all of their proportionate share required amount
    1. If ISDs are doing all things right, they can request to recode the shortfall.
    2. Opportunity to provide technical assistance to ISDs
    3. Working on developing a reporting mechanism in Catamaran.

4. Recode can be approved towards the end of 24th month to give ISDs ability to recode year two expenditures.
  5. MDE OSE wants to give ISDs the opportunity to recode instead of having to return the funds to the Feds.
  6. Supposed to be an exception but that may not be the case. MDE OSE has informed the US Department of Education.
- j. Allowable costs document
- i. Working on getting it update
  - ii. Looking at some areas to add for flexibility
  - iii. Adding language for need to additional documentation with application/budget
- k. ISD Business Official LISTSERV
- i. Working on updating it with help from MSBO and ISDs
  - ii. Looking at how to keep it updated at least semi-annually
- l. Questions and Answers:
- i. Question: Do we anticipate an audit of the IDEA ARP similar to ESSER funds?
    1. Answer: No, I don't think so. The ESSER funds have a lot of requirements included, whereas the ARP funds were seen more as additional IDEA funds for states and school districts. If there is, it will be an internal program fiscal monitoring by the MDE OSE.
  - ii. Question: Is there a concern with districts reporting 147c(2) costs in the FID under special education function codes but not on SE-4096 and SE-4094?
    1. Answer: No concern as the US Department of Education would not look at the FID and compare it to the SE-4096 and SE-4094 costs.

5. [MSBO Update](#) – Jason Helsen, MSBO

- a. Had Financial Statement and Business Manager-CPA workshops last week.
- b. MSBO golf outing on June 13, 2023.
- c. Business Manager Academy
  - i. Three cohorts for 2023-24
    1. Hybrid (primarily in-person) at Genesee ISD
    2. Hybrid (primarily in-person) at Mecosta-Osceola ISD
    3. Virtual
  - ii. Application deadline: July 31, 2023
  - iii. July 14, 2023 for MSBO investing in members scholarship
- d. Key dates and information for all regional and committee chairs - Lillie to reach out.
- e. Bob
  - i. Changes around MSBO
  - ii. Fall events
    1. Let MSBO know of any changes

2. Back to School - August 22-24, 2023
  3. North Meeting in October 5-6, 2023 at Tree Tops
6. [Roundtable](#)
- a. Chris Frank will be sending out his PowerPoint presentation from SEILN to MSBO ISD Business Officials
  - b. Linda Bielecki - Retiring this year. Shawn Biddle replacing her.

Adjournment - adjourned at 11:53 AM by Linda Bielecki.

Next meeting: Thursday, September 21, 2023

MSBO, Lansing and Zoom