

# MSBO - ISD Committee Meeting

## Minutes

September 13, 2018 – 3:00 pm

Treetops Resort, Gaylord

### Members Present:

|                                                |                                                |
|------------------------------------------------|------------------------------------------------|
| Andrejack, John – MDE Office of Spec. Ed.      | Ludlow, Mark – Calhoun ISD                     |
| Auwers, Roger – Jackson County ISD             | Mayer, Dena – Eastern Upper Peninsula ISD      |
| Bielecki, Linda – Traverse Bay ISD             | McLaughlin, Sean – MDE Office of Spec. Ed.     |
| Bodiya, Paul – Macomb ISD                      | Rafferty, Kori – Calhoun ISD                   |
| Curtiss, Bruce – Bay-Arenac ISD                | Schmidt, Dina – IOSCO RESA                     |
| Dwan, Bob – MSBO                               | Shaffer, Belinda – Hillsdale ISD               |
| Ezikian, Steve – Wayne RESA                    | Sovey, Don – School and Municipal Advisory, PC |
| Fleser, Lyndsey – Ottawa ISD                   | Suszek, Tony – Alpena-Montmorency-Alcona ESD   |
| Kemmer-Slater, Scott – MDE Office of Spec. Ed. | Weese, Stephanie – Montcalm Area ISD           |
| Kolb, Kevin – Gratiot-Isabella RESD            | Williams-Muz, Julie – Huron ISD                |
| Krosnicki, Lisa – Charlevoix-Emmet ISD         | Zigman, Teresa – Livingston ESA                |
| Lamer, Chris – Ottawa ISD                      |                                                |

### Members Present – On Line:

|                                           |                                |
|-------------------------------------------|--------------------------------|
| Bontekoe, Katrina – Wexford-Missaukee ISD | Marcel, Brian – Washtenaw ISD  |
| Day, Jeanne – Tuscola ISD                 | Matthews, Barb – Van Buren ISD |
| Higgins, Mark – Mecosta-Osceola ISD       | Orihel, Mark – Midland ESA     |
| Lloyd, Abby – Allegan ESA                 | Tietz, Pricilla – Tuscola ISD  |

1. Call to Order – Lisa Krosnicki, Chairperson
2. Introduction of Members/Guests – Lisa Krosnicki, Chairperson
3. Approval of May 17, 2018 Meeting Minutes
  - Motioned by Tony Suszek and Support by Chris Lamer
4. Legislative Update
  - Discussed increases in foundation etc. for the current year (including increase in Section 81).
  - At Risk funding – use of these funds may be an issue due to the new boilerplate language for program requirements.
  - Can no longer collect both tuition and foundation grant for international students. SB 1098 would delay the implementation of this law for one year.
  - There was an unexpected adjustment of the August State Aid payment due to the interplay between millage equalization and the PPT reimbursement. There may be another adjustment for 2017/2018 in October 2018. This caught many people by surprise.
  - New fingerprinting requirements may affect GSRP programs. Especially community based organizations.
  - GSRP needs to work with ISD's on chart of account, start of the school year before October 1<sup>st</sup>, and other issues. Guidance is issued without any input from ISD's.
  - Federal Budget - increased allocations by \$2B. \$375M for Title I, Special Education, and Title IV. These increases are likely not sustainable.
  - No interest in using federal funds for firearms. Districts should use other funds.

- Lame Duck (federal) could be interesting if the Republicans lose control of the house and/or senate.
  - Constant tax cuts are hurting the State's ability to generate tax revenues. There are currently 50 bills that include potential tax cuts. This needs to be addressed with the legislature.
  - If the School Aid Fund were to absorb their portion of income tax refunds, it would cost the SAF \$430M. This could be a problem.
  - Shifting costs from the GF/GP to the SAF has cost the SAF over \$5B since 2011. We need to get higher education costs out of the SAF.
  - School Finance Research Collaborative – need to share the results of this study with the public to build support for more school funding. Recent surveys have indicated that the public is in support of providing more funding for schools. More information at [www.fundmischools.org](http://www.fundmischools.org).
  - Marshall Plan signed into law (PA 227 and PA 228). A number of related bills (PA 229 thru PA 235) were signed into law and complement the Marshall Plan.
  - SB 1031 Personal Property Tax – Would provide a personal property tax exemption on utility personal property.
  - HB 5707 would continue to weigh student growth data 25% for teacher evaluation rather than moving to 40% as scheduled.
  - HB 6189 would provide dual enrollment tuition for home schooled children.
  - HB 6291 – Would allow CTE Seat Allocation to charter and private school students to the same extent as constituent districts.
  - Some discussion concerning the upcoming election and the possible outcomes (i.e. – will democrats or republicans control the house and senate).
  - Three ballot proposals including legalizing marijuana, redistricting process and promote the vote (straight party, registration time frame, absentee voting, etc).
  - Lame Duck (State) issues:
    - Attendance/Truancy
    - Guns at School
    - School Aid Policy
      - no higher education use of SAF
      - gross vs net income tax revenues (\$430 cost to SAF).
    - Teacher Certification Flexibility
    - Teacher Preparation
    - Curriculum Flexibility
    - School Safety
  - We always have the option that if we don't agree with a position of MDE, Dave Martel can take that issue to MDE to try to get resolution. We wouldn't want to do this often but it is an option if the need arises.
5. MSBO Update – Bob Dwan, MSBO
- Thanks to the MDE staff that attended this meeting.
  - Planning for the Annual Conference – please submit your ideas for topics
  - MSBO/MDE conference will be announced soon.
  - There has been some customer service issues with the purchase card (Chase Bank). Will continue to operate the same as in the past for 2018. After that, MSBO will transition to Harris Bank (related to PFM) which is offered in 21 states. More news to come soon (next week?).
6. OSES Internal Changes, John Andrejack
- Have hired some new staff to replace retirements. Need to get the information out as to what individuals will be the go-to person for various special education grants.

- Have begun to do some presentation at MSBO Regional Group meetings.
- Cross Training is taking place at MDE so people don't have to call more than one individual to get an answer.
- Capital Outlay threshold for State Grants (i.e. – SE 4096) has increased from \$1,000 to \$5,000 to correspond with the Federal Grants. The items below \$5,000 still need to be tracked to make sure they are used for Special Education purposes.
- The due dates for various forms were discussed including SE-4096, SE-4094, IFR, etc.
- Special Education Teachers that are Co-Teaching should no longer be coded as support staff (219). These teachers are still providing instruction.
- Out of State Travel – Need approval from MDE before traveling out of state to make sure that there isn't something similar available in-state (If paid from a Federal Grant). There is a form to request this approval. MDE is trying to speed up the process for getting approval.
- The indirect cost rates are not updated to the new fiscal year rates until after the grant applications are due. The rates also cannot be changed without amending the budget. May be difficult to solve with two different timelines that are very close together.

#### 7. Excess Cost Update, John Andrejack

- Going to continue to use Catamaran for MOE and Excess Cost.
- MOE – moving to aggregate rather than only including the districts that receive IDEA funds.
- IDEA Eligibility used to be done through assurances but now MDE is collecting data to verify compliance.
- The timing of the IDEA Eligibility is delayed because the time needed to complete the MOE from the previous year (takes a long time to verify all the SE-4094's and SE-4096's).
- Eligibility Test has a two years gap in data but the final MOE test has only a single year gap in the data.
- Can enter exceptions when they aren't required but MDE won't review the exceptions unless they are needed.
- Excess Costs – has been delayed because MDE needs guidance/clarification from the Federal Government. This was also put on the back burner because of MOE and Eligibility testing. This will now be moved to the front burner.
- Excess Costs – special education students should receive the same general funding as other students before they qualify for special education funding. Need to eliminate Title I, At Risk, etc. from the calculation to determine this base funding level per student.
- There is a chance that Excess Costs will be eliminated at reauthorization.

#### 8. Round Table

- Are districts asking for a refund of the FICA for their employees now that they must perfect their claims? Some yes and others are not due to the amount of work involved.

#### 9. Adjournment

- Next Meeting - Thursday, October 18, 2018 at MSBO in Lansing