

Pursuant to PA 120 of 2024, fiscal year 2025 higher education appropriations bill, Northern Michigan University (NMU) respectfully submits the following report for Section 275k, Charter School Authorizer:

EXECUTIVE SUMMARY

In 1995, following changes to Michigan law permitting charter schools, Northern Michigan University authorized its first public school academy and expanded to five schools by 1999. From 2011-2014, NMU added five new academies for a total of 10 schools. In 2016, one contract was not renewed leaving the portfolio to the current size of nine public school academies.

NMU has long served as a state and national leader of charter school authorizing by holding membership with the National Association of Charter School Authorizers and the Michigan Council of Charter School Authorizers. Responses to items “k” and “l” below describe how NMU fulfills its Core Authorizing Responsibilities and Activities.

As of the fall 2024 Preliminary Headcount, schools authorized by NMU enrolled 4,053 students throughout a diverse portfolio of schools, ranging in size, educational model, and geographic locations throughout the state.

During the 2023-2024 fiscal year, NMU collected total oversight fees of \$1,481,901.62 from the schools it authorizes to support its oversight operations. Response to letter “m” below provides an Authorizer Financial Report that outlines how these resources are used to ensure rigorous oversight, accountability, and support.

388.1875k.amended University authorizer of charter schools; reporting requirements.

Sec. 275k.

(1) Not later than December 1 of each year, each university that receives an appropriation in section 236 that, in the current or previous academic year, serves or has served as an authorizing body shall submit a report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, the state budget director, and the department of education containing, at a minimum, all of the following information, as applicable:

(a) A list of all of the schools currently authorized, and the following information for each school:

(i) The year in which the school was authorized.

(ii) The location of each school.

(iii) The owner of the property at which each school is located and the physical buildings utilized by the school, as applicable.

Name of Public School Academy ("PSA")¹	(i) Year PSA authorized	(ii) Location	(iii) Owner of the property	(iiib) Owner of the building
Burton Glen Charter Academy	1999	4171 E Atherton Rd, Burton, MI 48519	Charter Development LLC ³	Charter Development LLC ³
East Shore Leadership Academy	2014	1403 7th Street, Port Huron, MI 48060	Academic Facilities PH, LLC	Academic Facilities PH, LLC
Francis Reh Public School Academy	2014	2201 Owen, Saginaw, MI 48601	St. Francis of Assisi Parish Saginaw ⁴	St. Francis of Assisi Parish Saginaw ⁴
George Crockett Academy	2014	4851 14th Street, Detroit, MI	Triple H Group, LLC	Triple H Group, LLC
Joseph K. Lumsden Bahweting Anishnabe Public School Academy ("JKL Bahweting")	1996	1301 Marquette Ave. Sault Ste. Marie, MI 49783	Sault Ste. Marie Tribe of Chippewa Indians	Sault Ste. Marie Tribe of Chippewa Indians

Name of Public School Academy (“PSA”)¹	(i) Year PSA authorized	(ii) Location	(iii) Owner of the property	(iiib) Owner of the building
Nah Tah Wahsh Public School Academy	1995	N14911 Hannahville B1 Rd, Wilson, MI 49896	Hannahville Indian Community	Hannahville Indian Community
North Star Montessori Academy ²	1997	3030 Wright St., Marquette, MI 49855	North Star Public School Academy	North Star Public School Academy
South Pointe Scholars Charter Academy	2012	10550 Geddes Road, Ypsilanti, MI 48917	Charter Development LLC ³	Charter Development LLC ³
Walton Charter Academy	1999	744 E. Walton Boulevard, Pontiac, MI 48340	Charter Development LLC ³	Charter Development LLC ³

¹ Based on Department of Licensing and Regulatory Affairs (“LARA”) school names.

²The initial PSA authorization in 1997 was under the name Tri High School.

³ Lease agreement categorizes National Heritage Academies as “Landlord” while Charter Development LLC is “Master Landlord.” Ownership by Charter Development LLC further confirmed through bsaonline.com.

⁴ Online records indicate that the Catholic Bishop of Saginaw sold this property to St. Francis of Assisi Parish Saginaw in January 2021.

(b) A list identifying any schools that were closed or lost their authorization in the current or previous academic year.

Year	Name of PSAs closed or lost
Current Year (2024-25)	No schools closed or lost authorization
Previous Year (2023-24)	No schools closed or lost authorization

(c) A description of any new contracts for the operation of a public school academy that will operate as the successor to a public school academy that is currently being operated under a contract issued by another authorizing body that is currently performing in the bottom 5% of schools.

Name of PSA	Description of New Contract
No new contracts	

(d) The academic performance of each school currently authorized, including whether a school is identified by the department of education as a partnership school. If a school is identified as a partnership school under this subdivision, the authorizing body must include a description of corrective actions in the school's partnership agreement, the duration of the partnership agreement, and an assessment of progress toward improvement.

Name of PSA	(i) GROWTH Index	(ii) PROFICIENCY Index	Identified as Partnership School (Yes/No)
Burton Glen Charter Academy	86.06	52.84	No
East Shore Leadership Academy	100.00	66.67	No
Francis Reh Public School Academy	72.54	29.05	No
George Crockett Academy	67.73	26.03	No
JKL Bahweting	85.19	59.00	No
Nah Tah Wahsh Public School Academy	45.05	31.95	No
North Star Montessori Academy	75.51	62.57	No
South Pointe Scholars Charter Academy	86.36	55.24	No
Walton Charter Academy	89.26	50.98	No

(e) The total enrollment of each school at the time of submission, the grades served, and student turnover rate compared to the previous academic year, as applicable.

	Grades Served	FALL Count 2024 (non-audited)¹	FALL Count 2023 (previous school year audited count)²	Student Turnover Rate³
Burton Glen Charter Academy	K-8	715	691.12	+23.88
East Shore Leadership Academy	K-8	163	168.83	-5.83
Francis Reh Public School Academy	K-8	506	498.44	+7.56
George Crockett Academy	K-8	341	321.98	+19.02
JKL Bahweting	K-8	606	595.26	+10.74
Nah Tah Wahsh Public School Academy	K-12	182	183.05	-1.05
North Star Montessori Academy	K-12 2023 K-8 2024	143	189.65	-46.65
South Pointe Scholars Charter Academy	K-8	633	600.57	32.43
Walton Charter Academy	K-8	764	778.02	-14.02
¹ PSA administrators self-reported their Fall 2024 counts (unaudited) to the NMU Charter Schools Office				
² Fall 2023 counts were taken from the Michigan Center for Educational Performance and Information Michigan Student Data System https://www.michigan.gov/cepi/pk-12/msds				
³ Student Turnover Rate determined by subtracting Fall 2023 from Fall 2024. If the number is negative it means there are fewer students enrolled in 2024 than there were in 2023.				

(f) Aggregated student enrollment data for students with an individualized education program as well as the total amount of special education cost reimbursements received by each school during the school's most recently completed fiscal year.

Name of PSA	Aggregated student enrollment data for students with an Individualized Education Program	Total amount of special education cost reimbursement received
Burton Glen Charter Academy	91	\$89,416.12
East Shore Leadership Academy	35	\$20,154.70
Francis Reh Public School Academy	62	\$96,041.36
George Crockett Academy	30	\$68,340.91
JKL Bahweting	112	\$34,462.17
Nah Tah Wahsh Public School Academy	38	\$0 ¹
North Star Montessori Academy ²	41	\$67,676.50
South Pointe Scholars Charter Academy	87	\$242,703.40
Walton Charter Academy	71	\$81,100.67
¹ Nah Tah Wahsh PSA utilizes Bureau of Indian Education special education resources and did not request special education cost reimbursements.		

(g) The total number of fees, reimbursements, contributions, or charges permitted under section 502(6) of the revised school code, 1976 PA 451, MCL 380.502, that are assigned to each school currently authorized in a single academic year.

Name of PSA	Total fees, reimbursements, contributions, or charges permitted under section 502(6)¹
Burton Glen Charter Academy	\$239,968.51
East Shore Leadership Academy	\$59,833.30
Francis Reh Public School Academy	\$177,216.00
George Crockett Academy	\$120,458.07
JKL Bahweting	\$251,782.55

Name of PSA	Total fees, reimbursements, contributions, or charges permitted under section 502(6) ¹
Nah Tah Wahsh Public School Academy	\$76,446.83
North Star Montessori Academy ²	\$71,779.49
South Pointe Scholars Charter Academy	\$208,489.58
Walton Charter Academy	\$275,927.29
¹ This dollar amount is the total amount captured from October 2023 – August 2024. This time period was chosen due to it being consistent with the State-Aid payments calendar.	

(h) The names of the members of the board of directors of each school currently authorized and the date that each member of each board was appointed, and a description of the methodology used by the authorizing body to select members for the boards of directors for each school currently authorized by the authorizing body.

Note: Appendix A is the NMU CSO’s Methodology and Selection process for PSA’s Board of Directors.

PSA Name	Names of Board of Directors with appointment date
Burton Glen Charter Academy	Art Bone (5/17/2006); Waneta Bovan (9/24/2022); Mary Covington (3/8/2007); Tasha Donald (4/8/2021); Wendy Warren (8/6/2022)
East Shore Leadership Academy	Martin Doorn (1/3/2014); Patricia Moore (7/2/2023); Patrick Patterson (7/20/2020); Harold Powell (2/13/2023); Margaret Swegles (7/10/2019)
Francis Reh Public School Academy	David Bearss (9/12/2017); Scott Hinojosa (10/10/2022); Darlene Johnson (6/22/2024); Catherine Kretz (4/7/2014); Diane Lichon (4/7/2014); Yolanda Reynolds (11/19/2021); Jimmy Greene (3/22/2024)
George Crockett Academy	Jeffrey Arthur (9/29/2022); Lisa Bey-Knight (4/7/2014); April Dawson (8/12/2024); Ebony Jackson (8/24/2024); Tondra Thomas (10/1/2014)
JKL Bahweting	Frederick Carr (1/13/2020); Norma Castro (7/12/2022); Nicholas Kibble (1/19/2023); Tiffany Escherich (8/20/2024); Danielle Schofield (8/20/2024)
Nah Tah Wahsh Public School Academy	Dustin Hardwick (7/18/2024); Dustin Larson (7/18/2024); Charlotte Meshigaud (7/18/2024); Jacqueline Kang (7/18/2024); Tessa Keshick (7/31/2023); Marilyn Shawano (7/18/2024); Geneva Wandahsega (7/18/2024)

PSA Name	Names of Board of Directors with appointment date
North Star Montessori Academy	Melissa Bowers (6/28/2023); Nicole Harrington (9/13/2022); Roger Zappa (3/9/2011)
South Pointe Scholars Charter Academy	Christol Alexander (12/1/2021); Florence Giummo (8/17/2021); Mark Horvath (2/3/2017); Estelle Oliansky (8/20/2021); Susan Hollar (10/24/2014); Patrick Williams (8/17/2020)
Walton Charter Academy	Maria Carl (6/9/2003); Kim Champion (10/20/2008); James Dobson (10/15/2021); Tamika Morrow (12/17/2014); Greg Stevenson (9/21/2011)

(i) The name of the applicant who applied and received approval to organize each currently authorized school.

PSA Name	Name of applicant who applied and received approval
Burton Glen Charter Academy	Mark DeHan
East Shore Leadership Academy	Nancy Gardner
Francis Reh Public School Academy	Catherine Kretz
George Crockett Academy	Mary Lou Van Antwerp
JKL Bahweting	Bonnie J. Brady
Nah Tah Wahsh Public School Academy	Tom Miller
North Star Montessori Academy	Steven Piereson, Don Maourand, Ronald Kulie, Mary St. Clair, & Jim Manley
South Pointe Scholars Charter Academy	Melvin Rusher, Rodney Grover, Joel Kirkpatrick, William Flynn, & Judy Smith
Walton Charter Academy	Mark DeHan

(j) The list of contracts and length of their terms, with education service providers associated with each school currently authorized pursuant to section 502 of the revised school code, 1976 PA 451, MCL 380.502, as applicable. The contracts described in this subdivision include, but are not limited to, those described in section 502(2)(d) of the revised school code, 1976 PA 451, MCL 380.502.

Name of PSA	PSA Contract Term Dates	ESP Name	ESP Term Length (Term dates differ due to the end-date of the terms of the contract with the PSA)
Burton Glen Charter Academy	July 1, 2021 - June 30, 2026	National Heritage Academies	July 1, 2021 - June 30, 2026
East Shore Leadership Academy	July 1, 2024 - June 30, 2029	Bold Education Connections	July 1, 2024 - June 30, 2029
Francis Reh Public School Academy	July 1, 2024 - June 30, 2029	The Leona Group	July 1, 2024 - June 30, 2029
George Crockett Academy	July 1, 2024 - June 30, 2026	The Leona Group	July 1, 2024 - June 30, 2026
JKL Bahweting	July 1, 2020 - June 30, 2025	N/A	July 1, 2020 - June 30, 2025
Nah Tah Wahsh Public School Academy	July 1, 2020 - June 30, 2025	N/A	July 1, 2020 - June 30, 2025
North Star Montessori Academy	July 1, 2024 - June 30, 2026	Midwest Management Group, Inc. Teachers First	July 1, 2024 - June 30, 2026
South Pointe Scholars Charter Academy	July 1, 2022 - June 30, 2027	National Heritage Academies	July 1, 2022 - June 30, 2027
Walton Charter Academy	July 1, 2021 - June 30, 2026	National Heritage Academies	July 1, 2021 - June 30, 2026

(k) Activities undertaken by each university to ensure that the board of directors of each school complies with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246, and laws prohibiting conflicts of interest. [kc]

Under the Revised School Code, the Northern Michigan University Board of Trustees (“NMU Board”) is responsible for overseeing compliance with all applicable law, as well as the contract it

issued to each public school academy.¹ Public school academies are required to comply with the Open Meetings Act, the Freedom of Information Act, and certain laws prohibiting conflicts of interest.² These obligations are also specifically mandated by the standard contract that the NMU Board uses for its public school academies that it authorizes (the “Contract”).³

In addition to the state laws that govern conflicts of interest, the Contract specifically requires academies to must comply with the Incompatible Public Offices statute, being MCL 15.181 et seq. of the Michigan Compiled Laws, and the Contracts of Public Servants with Public Entities statute, being MCL 15.321 et seq. of the Michigan Compiled Laws. The Contract also states, “Academy Board shall ensure compliance with applicable law relating to conflicts of interest”. The Contract also provides a list of prohibited conflicts of interest for purposes of the contract as well that specifically relate to possible conflicts for public school academies that State law does not specifically recognize. The Contract also prohibits academy board members from being employed at the academy in more than one full-time position and simultaneously being compensated for each position.

In order to oversee compliance with these areas, the NMU CSO takes the following actions for each public school academy authorized:

- Reviews all agendas, board postings, and minutes of all academy board of directors’ meetings;
- Reviews all facilities documents, as well as the NMU CSO mandatory facilities questionnaire and checklist before an academy may execute any agreements, including lease agreements and borrowing agreements pursuant to the NMU CSO lease policies and long-term borrowing requirements set forth in the Contract;
- Reviews educational management organization agreements, as well as the questionnaire mandated by the NMU CSO educational management organization policy, prior to signing any agreements;
- NMU CSO representatives attend academy board of directors’ meetings;
- Answers questions with respect to any of these areas to help provide guidance where appropriate;
- Review due diligence materials for potential conflicts of interest for Board of Directors and educational service providers;
- NMU CSO works with NMU officials responding to all FOIA requests as per university guidelines
- NMU CSO works with public school academy officials when any OMA or conflicts occur

¹ See, e.g., MCL 380.502(4). The NMU Board along with the Northern Michigan University Charter Schools Office (“NMU CSO”), acting as the NMU Board’s designee, performs oversight as an authorizing body.

² See, e.g., MCL 380.503(7), MCL 380.503(6)(k), MCL 380.507(4)(b), MCL 380.1203.

³ Copies of the current contracts can be found at <https://nmu.edu/charterschools/school-information>. Each contract has some variations for each public school academy, but most of the provisions are identical across contracts with respect to oversight and compliance with applicable law.

(I) A description of the activities undertaken by the university to meet the functions of an authorizing body under section 502 of the revised school code, 1976 PA 451, MCL 380.502, as applicable. [kc]

As articulated in the Revised School Code and the Contract issued by the NMU Board, the NMU Board has the responsibility to oversee the academy's compliance with the Contract and all applicable law. The NMU Board articulates the responsibilities of both the academy board and the NMU Board in the Oversight Agreement that is included in the Contract⁴. The NMU CSO is responsible for administering the oversight responsibilities with respect to the Contract.

Under the Oversight Agreement, the NMU CSO may take any of the following actions to fulfill the NMU Board's oversight responsibilities for each public school academy authorized.

- Conduct a review of the academy's audited financial reports as submitted, including the auditor's management letters, and report to the NMU Board any exceptions as well as any failure on the part of the academy to meet generally accepted public sector accounting principles.
- Conduct a review of the records, internal controls or operations of the academy to determine compliance with the Contract and applicable law.
- Conduct a meeting annually between the academy board of directors and a designee of the NMU Board to determine compliance with the Contract and applicable law.
- Institute action pursuant to the terms of the Contract to suspend, revoke or reform the Contract.
- Monitor the academy's compliance with the Contract, the Revised School Code, and all other applicable law.
- Request periodic reports from the academy regarding any aspect of its operation, including, without limitation, whether the academy has met or is achieving its targeted educational goals and applicable academic performance standards set forth in the Contract.
- Request evidence that the academy has obtained the necessary permits and certificates of compliance to operate as a public school from the applicable governmental agencies, including, without limitation, the Michigan Department of Licensing and Regulatory Affairs, Bureau of Construction Codes and the Bureau of Fire Services, and local health departments.
- Determine whether the academy has failed to abide by or meet the educational goals or applicable academic performance standards as set forth in the Contract.
- Provide supportive services to the Academy as deemed necessary and/or appropriate by the NMU Board or its designee.
- Evaluate whether the academy appropriately administers all optional or statutorily mandated assessments pursuant to the academy's student population, goals and programs.
- Take other actions, as authorizing body, as permitted or required by the Revised School Code.

⁴ Copies of the Oversight Agreement are included in the contracts available at <https://nmu.edu/charterschools/school-information>

The Oversight Agreement also requires an academy to undertake the following reporting duties as well:

- Submit information to the NMU CSO, in accordance with the Master Calendar of Reporting Requirements adopted by the NMU CSO. The Master Calendar may be amended if the Charter Schools Office Director deems necessary.
- Submit quarterly financial reports to the NMU CSO in a form and manner determined by the CSO. Submit other financial reports as established by the CSO.
- Permit inspection of the academy's records and/or premises at any reasonable time by the NMU CSO.
- Report any litigation or formal proceedings alleging violation of any applicable law by the academy to counsel for the NMU Board as designated in Article XII of the Terms and Conditions.
- Upon request, provide copies of information submitted to the Michigan Department of Education, the Superintendent of Public Instruction, or State Board of Education to the NMU CSO.
- Provide proposed minutes of all academy board of directors' meetings to the NMU CSO no later than ten (10) business days after such meeting, and provide approved final minutes to the NMU CSO within five (5) business days after the minutes are approved.
- Submit to the NMU CSO prior to the issuance of the Contract, copies of insurance policies evidencing all insurance as required by the Contract.
- Submit to the NMU CSO a copy of the academy's lease, deed or other purchase arrangement for its physical facilities as required by the Contract.
- Submit to the NMU CSO copies of all fire, health and safety approvals required by applicable law for the operation of a school.
- Submit annually to the NMU CSO, the dates, times and a description of how the academy will provide notice of the academy's pupil application and enrollment process. The academy's pupil application and enrollment admission process must be conducted in a fair and open manner in compliance with the Contract and the Revised School Code. At a minimum, the academy must make a reasonable effort to advertise its enrollment openings by newspaper, mail, media, internet or other acceptable communication process. All academy notices of the open enrollment period must include language that the open enrollment period includes evening and weekend times for enrolling students in the academy. In addition, the academy must set forth in all public notices the date for the holding of a random selection drawing if such a drawing becomes necessary.
- By July 1st of each year, the academy board must provide a copy of the academy board's public meeting schedule for the upcoming school year. The academy board's public meeting schedule must include the date, time and location of the public meetings for the upcoming school year. Within ten (10) business days of academy board approval, the academy board must provide a copy to the NMU CSO of any changes to the academy board public meeting schedule.
- Prior to December 31 of each year and whenever necessary thereafter, the academy board must approve and submit a revised operating school budget that includes, without limitation, the following: (i) the total projected amount of state school aid revenues based on the academy's October pupil membership count; (ii) revised personnel costs; (iii) any start-up expenses incurred by the academy; and (iv) the total amount of short-term cash flow loans obtained by the academy. The academy will make budget revisions in a manner prescribed by law. Within thirty (30) days of the academy board approving the budget

(original and amended, if applicable), the academy must place a copy of that budget on the academy's website within a section of the website that is accessible to the public.

- Within 5 days of its submission to the Center for Educational Performance and Information (CEPI) of the budgetary assumptions that are required by Section 1219 of the Revised School Code, the academy must provide a copy of those budgetary assumptions to the NMU CSO, and confirm that the submitted budgetary assumptions were used in the adoption of the academy's annual budget.
- Submit copies to the NMU CSO of any periodic financial status reports required of the academy by the Department of Treasury.
- Provide copies of notices, reports and plans, including deficit elimination or enhanced deficit elimination plans, to the NMU CSO under Section 1220 of the Revised School Code.

In addition to these responsibilities, the academies are required to keep records that are complete and correct and those records must be made available to the NMU CSO, or its designee, at all reasonable hours and conditions. The academies must also authorize the Charter Schools Office to perform audit and evaluation studies, as well as provide access to data, documents or information submitted to the Michigan Department of Education, the Superintendent of Public Instruction, the State Board of Education, the Center for Educational Performance and Information, the Michigan DataHub or any other state or federal agency. The Oversight Agreement also requires the academies to provide the Charter Schools Office a copy of any notice from the State Treasurer that notifies the academy of the potential for fiscal stress.

This Oversight Agreement also requires that certain information be made publicly available by the academy and that certain information also be made available by the academy's educational service provider, if applicable.

Beyond the activities listed in the Oversight Agreement, the NMU Board, through its Charter Schools Office, employs 7 individuals to help provide oversight. Positions include: CSO Director, Director for Board Relations & External Affairs, Director for Assessment & Curriculum; Financial Reviewer; Compliance Coordinator, Field Representative, and Senior Secretary.

As mentioned above, the NMU CSO has also issued several different policies that all academies must comply with, including a Real Property Lease Policy and an Educational Service Provider Guidelines⁵. The NMU CSO, along with legal counsel, review proposed lease agreements, certain financing transactions, and contracts with educational management organizations to ensure that such agreements do not violate the contract, relevant Authorizing Body policies, or applicable law.

The NMU CSO also provides for a detailed process by which the NMU CSO considers reauthorization of any academy. In reviewing whether an academy should be reauthorized, the NMU CSO considers whether there have been increases in academic achievement for all groups of pupils as measured by assessments and other objective criteria established by the NMU Board.

(m) A financial report of the authorizing body's use of fees, reimbursements, contributions, or charges collected or retained under section 502(6) of the revised school

⁵ Available at <https://nmu.edu/charterschools/school-information>

code, 1976 PA 451, MCL 380.502. This report must include all of the following, at a minimum:

Financial Report for Fiscal Year (FY) 2024	
<i>(i) The total amount of fees collected or retained under section 502(6) of the revised school code, 1976 PA 451, MCL 380.502, by the authorizing body for the authorizing body's most recent fiscal year.</i>	\$1,481,901.62
<i>(ii) The amount of funds reported under subparagraph (i) that were spent on compensation for faculty and staff employed primarily to meet the functions of an authorizing body. For the purpose of this subparagraph, an employee is presumed to be primarily employed to meet the functions of an authorizing body if that employee spends more than 50% of the employee's time on those activities.</i>	\$370,495.47
<i>(iii) The number of positions, organized by job title, associated with expenditures reported under subparagraph (ii).</i>	Seven (7). CSO Director, Director for Board Relations & External Affairs, Director for Assessment & Curriculum; Financial Reviewer; Compliance Coordinator, Field Representative, and Senior Secretary.
<i>(iv) The amount of funds reported under subparagraph (i) that were spent on contractual services to meet the functions of an authorizing body.</i>	\$255,126
<i>(v) The amount of funds reported under subparagraph (i) that were spent on other overhead costs to meet the functions of an authorizing body.¹</i>	\$165,000
<i>(vi) The amount of funds reported under subparagraph (i) that were transferred to another operating unit within the university.²</i>	\$0
<i>(vii) The amount of funds reported under subparagraph (i) that were spent on activities other than functioning as an authorizing body, including a list of those activities and the amount associated with each activity.</i>	\$0
<p>¹ For the purposes of this report, overhead costs are defined as the indirect rate provided to the University for a range of standard services provided to the NMU Charter Schools Office.</p> <p>² According to the Governmental Accounting Standards Board, "Transfers are the non-reciprocal flow of financial resources between funds within a governmental entity," which is how transfers are defined here. While the NMU Charter Schools Office purchases a range of services from various other operating units within the University, these payments do not constitute a transfer.</p>	

(2) A report submitted under this section must be in a format that meets accessibility standards for viewing on the internet under the Americans with disabilities act of 1990, Public Law 101-336.

The NMU Charter School Authorizer Report meets the ADA accessibility standards for viewing on the internet under the Americans with disabilities act of 1990, Public Law 101-336.

(3) A report submitted under this section must be published and updated through a link on the homepage of the public university's website.

The Charter School Authorizer Report is published on the homepage of NMU's website and can be accessed through the following link posted on the homepage transparency website: https://nmu.edu/finance/transparency_reporting

(4) As used in this section, "authorizing body" means that term as defined in section 501 of the revised school code, 1976 PA 451, MCL 380.501.

APPENDIX A

METHOD OF SELECTING PUBLIC SCHOOL ACADEMIES' BOARDS OF DIRECTORS

WHEREAS, MCL 380.503(5) of the Revised School Code (“Code”) provides that “an authorizing body shall adopt a resolution establishing the method of selection, length of term, and number of members of the board of directors of each public school academy subject to its jurisdiction;” and

WHEREAS, the Northern Michigan University Board of Trustees (the “University Board”) desires to amend the resolution outlining the method of selection, length of term, number of members and other pertinent matters related to appointments and service of the directors of the boards of its authorized public school academies; and

WHEREAS, the University Board has determined that a change in the method of selection process is in the University’s best interest and that such changes be incorporated into new and existing contracts;

NOW, THEREFORE, BE IT RESOLVED:

The following method of selection of Academy Board members applies to all public school academies authorized by the University Board:

1. Method of Selecting Academy Board Members:

a. **Initial Academy Board Member Nominations:** As part of the public school academy application, the public school academy applicant shall submit to the Director of the University Charter Schools Office (“Director”) the names of proposed individuals to serve on the initial board of directors. The Director shall either approve or deny the list of proposed nominees. If the Director does not take any action within 60 days, the nominees are deemed approved as the initial board of directors. To be considered for appointment, the nominees must have completed the required board member candidate application materials, including at least: (i) the Academy Board Member Questionnaire prescribed by the University Charter Schools Office; and (ii) the Criminal Background Check Report prescribed by the University Charter Schools Office. An individual may be asked to provide a resume and be available for a personal interview with the University Charter Schools Office.

b. **Nominations by the Academy Board:** The Academy Board shall submit nominations for subsequent Academy Board of Director positions to the

Director or the Director's designee. The Director may approve or deny any nomination. As part of the appointment process, the Academy Board shall submit to the Director: (i) the name of the nominee; (ii) the board member candidate application materials identified in paragraph (a) above; and (iii) a copy of the Academy Board nominating resolution. If the Director does not take any action within 60 days, the nominee is deemed appointed to the Academy Board. If the Director denies a nominee submitted by the Academy Board, the Director may request that the Academy Board submit another nominee or may appoint a different person identified by the Director.

c. **Appointment by the Director:** The Director may, without a nomination from the Academy Board, select and appoint persons to the Academy Board of Directors, as the Director deems appropriate.

d. **Submission to the University Board:** Following the Director's approval of an Academy Board nominee or an appointment by the Director, the Director shall submit relevant information regarding the appointment to the University Board. The University Board reserves the right to reject Academy Board members' appointments.

2. **Qualifications of Academy Board Members:** To be qualified to serve on the Academy Board, a person shall: (a) be a citizen of the United States; (b) reside in the State of Michigan; (c) submit all materials requested by the NMU Charter Schools Office including, but not limited to, a NMU Academy Board Member Questionnaire and a release for criminal history background check; (d) not be an employee of the Academy; (e) not be a director, officer, or employee of a company or other entity that contracts with the Academy; and (f) not be an employee or representative of NMU or be a member of the University Board.

3. **Oath /Acceptance of Office/Voting Rights:** Academy Board appointees may begin their legal duties after they have been appointed, signed an Acceptance of Public Office form, and taken the Oath or Affirmation of Public Office administered by a justice, judge, clerk of a court, or a notary public.

4. **Length of Term; Removal:** A person who is appointed to the office of a public school academy board of director is an "at will" board member who shall serve at the pleasure of the University Board for a term of office not to exceed three (3) years, unless the Director determines a shorter term is appropriate. If the University Board or the Director determine that an Academy Board member's service in office is no longer required, then the University Board or the Director shall notify the Academy Board member the date when the Academy Board member's service ends. The University Board or the Director may remove an Academy Board member with or

without cause. The Academy Board may remove an Academy Board member for cause by a two-thirds (2/3) majority vote. A person appointed to serve as an Academy Board member may be reappointed to serve additional terms in office. When an Academy Board member is appointed to complete the term of service of another Academy Board member, their service ends at the end of the previous Academy Board member's term.

5. Resignations: A member of the Academy Board may resign from office by submitting a written resignation or otherwise notifying the Director. The resignation is effective upon receipt by the Director unless a later date is specified in the resignation. A written resignation is not required to resign, and if no such resignation notification is provided, then the Director shall confirm a resignation in writing. The resignation shall be effective upon the date the Director sends confirmation of the resignation to the resigning Academy Board member.

6. Vacancy: An Academy Board position shall be considered vacant when an Academy Board member:

- a. Resigns
- b. Dies
- c. Is removed from Office
- d. Is convicted of a felony
- e. Ceases to be qualified
- f. Is incapacitated

7. Filling a Vacancy: The Academy Board shall nominate persons to fill a vacancy as outlined in this resolution.

8. Number of Academy Board Member Positions: The number of member positions of the Academy Board of Directors shall be five (5), seven (7) or nine (9), as determined from time to time by the Director or the University Board.

9. Quorum: In order to legally transact business the Academy Board shall have a quorum physically present at a duly called meeting of the Academy Board. A "quorum" shall be defined as follows:

of Academy Board positions

required for Quorum

Five (5)

Three (3)

Seven (7)

Four (4)

Nine (9)

Five (5)

10. Manner of Acting: The Academy Board shall be considered to have “acted,” when a duly called meeting of the Academy Board has a quorum present and the number of board members voting in favor of an action is as follows:

<u># of Academy Board positions</u>	<u># for Quorum</u>	<u># required to act</u>
Five (5)	Three (3)	Three(3)
Seven (7)	Four (4)	Four (4)
Nine (9)	Five (5)	Nine (5)

The Director is authorized to present this resolution to all public school academies authorized by the University Board. Upon approval by an Academy Board, the Director is authorized to take action to implement the necessary contract amendments. This method of selection shall be used for all new schools issued contracts by the University Board.

This resolution shall be incorporated in and made part of the Contract.

**Approved by the Northern Michigan
University Board of Trustees**

Signature:

Date:_____