

**SCHOOL DISTRICT OF THE CITY OF MUSKEGON HEIGHTS**

**Office of the Emergency Manager**

**Steven M. Schiller**

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**Order 2016-8**

**BY THE POWER AND AUTHORITY VESTED IN THE EMERGENCY MANAGER  
FOR THE SCHOOL DISTRICT OF THE CITY OF MUSKEGON HEIGHTS,  
MICHIGAN UNDER THE LOCAL FINANCIAL STABILITY AND CHOICE ACT,  
PUBLIC ACT 436 OF 2012, AS AMENDED, MCL 141.1541 TO 141.1575**

**THE EMERGENCY MANAGER, STEVEN M. SCHILLER,  
ISSUES THE FOLLOWING:**

**ORDER ESTABLISHING A REVISED METHOD OF  
SELECTION RESOLUTION FOR MEMBERS OF THE  
PUBLIC SCHOOL ACADEMY BOARD OF DIRECTORS  
FOR THE MUSKEGON HEIGHTS PUBLIC SCHOOL  
ACADEMY SYSTEM**

**WHEREAS**, The Revised School Code, Public Act 451 of 1976, as amended, MCL 380.1 to 380.1853 (the "Code"), authorizes the governing board of a school district to be an authorizing body for a public school academy; and

**WHEREAS**, Section 503(5) of the 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 the authorizing body's jurisdiction"; and

**WHEREAS**, the School District of the City of Muskegon Heights (the "District") is currently in receivership and under the supervision of an Emergency Manager appointed for the District by the Governor of the State of Michigan (the "Emergency Manager") under the Local Financial Stability and Choice Act, Public Act 436 of 2012, as amended, MCL 141.1541 to 141.1575 (the "Act"); and

**WHEREAS**, the Emergency Manager has broad powers under the Act to rectify the District's financial emergency and to assure the District's fiscal accountability and capacity to provide or cause to be provided necessary governmental services essential to the public health, safety and welfare; and

**WHEREAS**, the Emergency Manager has been granted the authority under the Act to act for and in the place and stead of the Board of Education of the School District of the City of

Muskegon Heights (the "District Board") and the Emergency Manager has the power to exercise solely, on behalf of the District, all other authority and responsibilities affecting the District that are prescribed by law to the District Board; and

**WHEREAS**, the Emergency Manager wants to approve and establish a revised method of selection resolution related to appointments and service of directors of the governing board of the System to facilitate the transition of the District out of receivership, and

**NOW, THEREFORE, IT IS HEREBY ORDERED THAT**, the attached policy titled "Public School Academy System Board of Directors Revised Method of Selection Resolution" and dated October 20, 2016, is adopted, approved and shall replace the Public School Academy System Board of Directors Standard Method of Selection Resolution incorporated into Order No. 2012-8 dated July 6, 2012; and

**FURTHERMORE**, this Order may be amended, modified, repealed, or terminated by any subsequent Order issued by the Emergency Manager.

Dated: October 20, 2016

By: \_\_\_\_\_



Steven M. Schiller  
Emergency Manager

## EXHIBIT A

### Public School Academy System Board of Directors Revised Method of Selection Resolution

The Emergency Manager, acting for and in the place and stead of the Board of Education of the School District of the City of Muskegon Heights (the "District Board") orders that the method of selection, length of term, number of board members for the Board of Directors of the Muskegon Heights Public School Academy System (the "System Board") and other criteria shall be as follows:

#### Method of Selection and Appointment

The District Board shall develop and administer a System Board selection and appointment process that includes a *Public School Academy System Board Member Appointment Questionnaire* and is in accord with these provisions:

1. Each System nominee shall be available for interview by the District Board or an authorized designee. Except as provided herein, the District Board shall appoint System Board members. If a receivership transition advisory board is in place for the District under the Local Financial Stability and Choice Act, Public Act 436 of 2012, as amended, MCL 141.1541 to 141.1575, or a successor law (an "Advisory Board"), each District Board appointment shall be presented to the Advisory Board within ten (10) days of approval by the District Board for approval by the Advisory Board. If the Advisory Board approves the appointment or does not take action regarding the appointment within thirty (30) days of receipt of the appointment, the appointment is effective.
2. The System Board, by resolution and majority vote, shall nominate its subsequent members, except as provided herein. The System Board shall recommend to the District Board at least one nominee for each vacancy. Nominees shall submit the *Public School Academy System Board Member Appointment Questionnaire* for review by the District Board or an authorized designee. If the District Board does not appoint a nominee submitted by the System Board, the System Board shall submit at least two (2) additional nominees for consideration. If the District Board and System Board are unable to agree on a subsequent System Board nominee for appointment and an Advisory Board is in place for the District, then the Advisory Board shall appoint the subsequent System Board member. The Advisory Board is not required to appoint a person nominated by the System Board.
3. An individual appointed to fill a vacancy created other than by expiration of the term shall be appointed for the unexpired term of that vacant position.

#### Length of Term

A director of the System Board shall serve at the pleasure of the District Board, but if an Advisory Board is in place for the District, a director of the System Board may not be

removed by the System Board without the approval of the Advisory Board. Terms of the initial position of a System's Board of Directors shall be staggered. Subsequent appointments shall be for a term of office not to exceed three (3) years. There is no limit on the number of terms that a System Board member may serve.

### **Number of Directors**

The number of System Board member positions shall never be fewer than three (3) nor more than seven (7), as determined from time to time by the District Board. If the District Board changes the number of Directors, and an Advisory Board is in place for the District, the District Board shall present the proposed change to the Advisory Board. If the Advisory Board approves the proposed change or does not take action on the proposed change within thirty (30) days, the proposed change in the number of directors is approved. If the System Board fails to attain or maintain its full membership by making appropriate and timely nominations, the District Board may identify and appoint a System Board member to fill a vacancy. If an Advisory Board is in place for the District, each District Board appointment shall be presented to the Advisory Board within ten (10) days of approval. If the Advisory Board approves the appointment or does not take action regarding the appointment within thirty (30) days of receipt of the appointment, the appointment is effective.

### **Qualifications of Members**

To be qualified to serve on an System Board, a person shall, among other things: (a) be a citizen of the United States; (b) be a resident of the State of Michigan; (c) submit all materials requested by the District Board, but not limited to, the *Public School Academy System Board Member Appointment Questionnaire* which must include authorization to process a criminal background check of the nominee; and (d) submit annually a conflicts of interest disclosure as prescribed by the District Board.

The System's Board shall include representation from the local community in which the System serves.

The members of the System's Board shall not include (1) any member appointed or controlled by another profit or non-profit corporation; (2) System employees or independent contractors performing services for the System; (3) any current or former director, officer, or employee of an educational management company that contracts with the System; and (4) current District Board members, officials or employees.

### **Oath of Public Office**

Before beginning their service, all members of the System's Board of Directors shall take and sign the constitutional oath of office before an individual authorized by Michigan law to administer oaths. The System shall cause a copy of an oath of office to be filed with the District Board. No appointment shall be effective prior to the taking, signing, and filing of the oath of public office.

**Removal and Suspension**

If at any time the District Board determines that a System Board member's service is no longer necessary, the District Board may remove a System Board member with or without cause by notifying the affected System Board member. The notice shall specify the date when the System Board member's service ends. Any System Board member may also be removed by a two-thirds (2/3) vote of the System Board for cause. However, if an Advisory Board is in place for the District, a member of the System Board may not be removed by the District Board without the approval of the Advisory Board.

**Tenure**

Each System Board member shall hold office until the member's replacement, death, resignation, removal or until the expiration of the term, whichever occurs first.

**Resignation**

Any System Board member may resign at any time by providing written notice to the District Board. Notice of resignation will be effective upon receipt or at a subsequent time designated in the notice. Any System Board member who fails to attend three (3) consecutive System Board meetings without prior notification to the System Board President, may, at the option of the District Board, be deemed to have resigned, effective at a time designated in a written notice sent to the resigning System Board member. A successor shall be appointed as provided in this resolution.

**Board Vacancies**

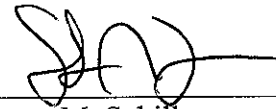
A System Board vacancy shall occur because of death, resignation, replacement, removal, failure to maintain United States citizenship or residency in the State of Michigan, disqualification, enlargement of the System Board, or as specified in the Code.

**Compensation**

System Board members shall serve as volunteer directors and without compensation for their respective services. By resolution of the System Board, the System Board members may be reimbursed for their reasonable expenses incidental to their duties as System Board members.

Dated: October 20, 2016

By:



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Steven M. Schiller  
Emergency Manager