

A large, light gray graphic of a classical column with a capital and a base, serving as a background for the title and date.

CRC

**ORGANIZATION OF STATE OF MICHIGAN EDUCATION FUNCTIONS**

**January 2003**

**Report No. 335**

Government Research Since 1916

This Report was made possible by a grant from the Charles Stewart Mott Foundation

**Vice Chairman**  
Kent J. Vana

**Chairman**  
W. Frank Fountain  
**President**  
Earl M. Ryan

**Treasurer**  
Jeffrey K. Willemain

## BOARD OF DIRECTORS

**Jeffrey D. Bergeron**  
Ernst & Young LLP  
**J. Edward Berry**  
General Motors Corp.  
**William M. Brodhead**  
Plunkett & Cooney, P.C.  
**Gary L. Collins**  
**Richard A. Collister**  
Comerica Incorporated  
**Terence M. Donelly**  
Dickinson Wright PLLC  
**Randall W. Eberts**  
W.E. Upjohn Institute

**Joshua Eichenhorn**  
Standard Federal Bank  
**Kelly M. Farr**  
CMS Energy  
**W. Frank Fountain**  
DaimlerChrysler Corporation  
**Eugene A. Gargaro, Jr.**  
Emco Limited  
**Marybeth S. Howe**  
National City Bank of Michigan/Illinois  
**Nick A. Khouri**  
DTE Energy  
**Harold Krivan**  
J.D. Power & Associates

**Daniel T. Lis**  
**Irving Rose**  
Edward Rose & Sons  
**Amanda Van Dusen**  
Miller, Canfield, Paddock & Stone PLC  
**Kent J. Vana**  
Vanum, Riddering, Schmidt & Howlett LLP  
**Gail L. Warden**  
Henry Ford Health System  
**Richard T. White**  
The Auto Club Group  
**Jeffrey K. Willemain**  
Deloitte & Touche  
**Martin B. Zimmerman**  
Ford Motor Company

## ADVISORY DIRECTORS

Louis Betanzos

Robert F. Magill

Will Scott

## BOARD OF TRUSTEES

**Chairman**  
Daniel J. Kelly

**Vice Chairman**  
Patrick J. Ledwidge

**Terence E. Adderley** —  
Kelly Services Inc.  
**Rebecca M. Blank**  
University of Michigan  
**Lee Bollinger**  
Columbia University of NY  
**Beth Chappell**  
Detroit Economic Club  
**Mary Sue Coleman**  
University of Michigan  
**Keith E. Crain**  
Crain Communications, Inc.  
**George H. Cress**  
United Bank & Trust - Washtenaw  
**Stephen R. D'Arcy**  
PricewaterhouseCoopers LLP  
**James De Boer, Jr.**  
Vanum, Riddering, Schmidt & Howlett LLP  
**Richard DeVos**  
Alticor Incorporated  
**Walter E. Douglas, Sr.**  
Avis Ford, Inc.  
**David O. Egner**  
Hudson-Webber Foundation  
**James V. Finkbeiner**  
Harvey Randall Wickes Foundation  
**Gerald Fitzgerald**  
Oakwood Healthcare Inc.  
**Elson S. Floyd**  
Western Michigan University  
**W. Frank Fountain**  
DaimlerChrysler Corporation  
**Ralph J. Gerson**  
Guardian Industries Corporation  
**Ralph J. Gilbertson**  
Saginaw Valley State University  
**Rodrick D. Gillum**  
General Motors Corporation  
**Alfred R. Glancy III**  
**Alice Gustafson**  
Hubert Distributors Inc.  
**David Handleman**  
Handleman Company  
**Frank M. Hennessey**

Hennessey Capital  
**Todd W. Herrick**  
Tecumseh Products Company  
**Joseph L. Hudson, Jr.**  
Hudson-Webber Foundation  
**James F. Jones**  
Kalamazoo College  
**Dorothy A. Johnson**  
Council of Michigan Foundations  
**F. Martin Johnson**  
JSJ Corporation  
**Elliot Joseph**  
St. John Health System  
**Daniel J. Kelly**  
Deloitte & Touche  
**David B. Kennedy**  
Earhart Foundation  
**Patrick J. Ledwidge**  
Dickinson Wright PLLC  
**Edward C. Levy, Jr.**  
Edw. C. Levy Co.  
**Harry A. Lomason II**  
Magna International  
**Alphonse S. Lucarelli**  
Decision Consultants, Inc.  
**Robert F. Magill**  
Detroit Executive Service Corps  
**William T. McCormick, Jr.**  
CMS Energy Corporation  
**Paul W. McCracken**  
University of Michigan  
**M. Peter McPherson**  
Michigan State University  
**Mark A. Murray**  
Grand Valley State University  
**James B. Nicholson**  
PVS Chemicals, Inc.  
**Richard D. O'Connor**  
DOD Enterprises  
**Donald R. Parfet**  
Apjohn Group LLC  
**Peter J. Pestillo**  
Visteon Corporation  
**Arthur T. Porter**

Detroit Medical Center  
**Michael Rao**  
Central Michigan University  
**Dean E. Richardson**  
Comerica Bank Building  
**Irving Rose**  
Edward Rose & Sons  
**Gary D. Russi**  
Oakland University  
**Roger Samuel**  
The Flint Journal  
**William A. Sederburg**  
Ferris State University  
**Lloyd A. Semple**  
Dykema Gossett PLLC  
**Mark Silverman**  
The Detroit News  
**S. Martin Taylor**  
DTE Energy  
**Anthony R. Tersigni**  
Ascension Health, Great Lakes Division  
**Curtis J. Tompkins**  
Michigan Technological University  
**Amanda Van Dusen**  
Miller, Canfield, Paddock & Stone PLC  
**Kent J. Vana**  
Vanum, Riddering, Schmidt & Howlett LLP  
**Robert J. Vitito**  
Citizens Banking Corporation  
**Gail L. Warden**  
Henry Ford Health System  
**James W. Webb**  
Aon Risk Services  
**Richard T. White**  
The Auto Club Group  
**Richard E. Whitmer**  
Blue Cross & Blue Shield of Michigan  
**Jeffrey K. Willemain**  
Deloitte & Touche  
**Larry D. Yost**  
ArvinMeritor, Inc.

# ORGANIZATION OF STATE OF MICHIGAN EDUCATION FUNCTIONS

January 2003

Report No. 335

This Report was made possible by a grant from the Charles Stewart Mott Foundation

---

**Citizens Research Council of Michigan**

<http://www.crcmich.org/>

38777 Six Mile Road • Suite 208 • Livonia, Michigan • 48152-2660 • (734) 542-8001 • Fax (734) 542-8004 • E-Mail [crcmich@crcmich.org](mailto:crcmich@crcmich.org)  
124 West Allegan • Suite 1502 • Lansing, Michigan • 48933-1738 • (517) 485-9444 • Fax (517) 485-0423 • E-Mail [rcalay@crcmich.org](mailto:rcalay@crcmich.org)



# ORGANIZATION STATE OF MICHIGAN EDUCATION FUNCTIONS

## *Contents*

	<u>Page</u>
I. Introduction .....	1
II. Timeline of Educational Organization Changes .....	3
III. State Education Functions .....	6
A. Department of Education .....	6
B. Department of Career Development .....	9
C. Department of Treasury .....	11
D. Department of Community Health .....	12
E. Family Independence Agency .....	13
F. Department of History, Arts and Library .....	14
G. Department of Management and Budget .....	14
H. Michigan Economic Development Corporation .....	14
I. Other .....	15
IV. Classifying State Education Functions .....	15
V. Interstate Comparisons .....	18
VI. Organizational Principles .....	23
VII. Organizational Options .....	25
VIII. Reorganization Recommendations .....	26
A. Transfer Specific Offices and Programs .....	26
1. Office of Standards, Assessment and Accreditation .....	26
2. Merit Award Program .....	28
3. Adult, Career and Technical Education .....	28
4. Post-Secondary Services .....	30
5. School Finance .....	30
6. Drivers' Education and Motorcycle/ATV/ORV Training Programs .....	32
B. Conclusion .....	32

# ORGANIZATION STATE OF MICHIGAN EDUCATION FUNCTIONS

## *Tables*

	<u>Page</u>
1. Models of State Education Governance .....	19
2. Responsibility for Education Achievement Testing by State Department .....	20
3. Responsibility for Data Reporting by State Department .....	20
4. Responsibility for Teacher Licensing/Certification by State Department .....	20
5. Responsibility for General Education Development (GED) by State Department .....	21
6. Responsibility for Universities by State Department .....	21
7. Responsibility for Community Colleges by State Department .....	21
8. Organization of Workforce Development Functions .....	21
9. Responsibility for Technical Colleges by State Department .....	22
10. Responsibility for Vocational Education Delivered at High School Level by State Department .....	22
11. Responsibility for State Libraries by State Department .....	22
12. Responsibility for Oversight of Drivers' Training by State Department .....	22

## *Charts*

1. Reorganization of Office of Standards, Assessment and Accreditation .....	27
2. Reorganization of Adult, Career and Technical Education .....	29
3. Reorganization of School Finance and Drivers' Education and Motorcycle/ATV/ORV Training Programs .....	31

## Preface

By any reasonable measure, education is the top priority of state government in Michigan. It is the only substantive program area of government to have its own article in the Michigan Constitution. Education, particularly K-12 education is granted significant budgetary increases in good economic times and is protected, to the extent possible, from reductions in economic downturns. And, virtually any public opinion poll will find education at the top of the list of state and local programs in degree of public support.

Although elementary-secondary education is delivered by local school districts, education has been determined to be a state responsibility. The State provides policy direction, funding, and oversight in seeking to carry out that responsibility. How well it does so is dependent on many factors, including resource availability and the existence of public policies conducive to efficient, effective educational services.

Also important is the way in which the State of Michigan is organized to execute its role in education. Organizational structures are conditioned by many things including constitutional and statutory provisions, historic accident, personalities, and forces from outside of state government such as interest groups or the federal government. The result is that there is no such thing as an organization chart that comports perfectly with the ideals of efficiency and accountability that should guide the structuring of government to carry out its functions.

It is important, therefore, to review the structure from time to time and the Citizens Research Council of Michigan was requested by State Superintendent of Public Instruction Thomas D. Watkins, Jr. to assess the way in which the State of Michigan is organized to execute its educational functions. With a generous grant from the Charles Stewart Mott Foundation, CRC was able to carry out the analysis with a great deal of helpful input from many individuals and organizations both inside and outside of the educational community.

An organizational structure can provide the setting for efficient and accountable provision of governmental services and it is hoped that this analysis will constitute a step in that direction.





## Introduction

Article VIII, Section 3, of the 1963 Michigan Constitution provides that

Leadership and general supervision over all public education, including adult education and instructional programs in state institutions, except as to institutions of higher education granting baccalaureate degrees, is vested in a state board of education. It shall serve as the general planning and coordinating body for all public education, including higher education, and shall advise the legislature as to the financial requirements in connection therewith.

The State Board of Education is to consist of 8 members elected to 8-year terms. The Board is to appoint a Superintendent of Public Instruction to be responsible for execution of Board policies and to be the “principal executive officer of a state department of education which shall have powers and duties provided by law.”

While a casual reading of Section 3 might lead to the conclusion that the State Board of Education is in a position of primacy with respect to public education in Michigan, terms such as “leadership and general supervision,” “planning and coordinating,” and “advise the legislature,” do not go far in conferring power on the Board. Indeed, the Constitutional Convention explicitly contemplated a “consultative and deliberative” role for the Board.<sup>1</sup> It also contemplated a strong role for the Governor, who was to be an ex-officio member of the Board, and whose expected relationship with the Superintendent was characterized as follows:

The superintendent would be considered as administrative head of the state department of education and as such should be a staff officer to the governor and on his administrative board.<sup>2</sup>

Nevertheless, Article VIII clearly singles out education as a function of signal importance by giving constitutional status to the Board and Superintendent and providing a focal point for the functions of state government related to education in Michigan. Accordingly, the executive branch organizational structure adopted in Public Act 380 of 1965, which implemented the organizational requirements of the

new Constitution, located most of the principal state-level education functions in the Department of Education, where they remained largely undisturbed until the 1990s.

At that point, another provision of the Constitution, executive reorganization, began to see more use than it had in the 30 years since the Constitution went into effect. This provision, found in Article V, Section 2, provides that

Subsequent to the initial allocation, the governor may make changes in the organization of the executive branch or in the assignment of functions among its units which he considers necessary for efficient administration. Where these changes require the force of law, they shall be set forth in executive orders and submitted to the legislature. Thereafter the legislature shall have 60 calendar days of a regular session, or a full regular session if of shorter duration, to disapprove each executive order. Unless disapproved by both houses by a resolution concurred in by a majority of the members elected to and serving in each house, each order shall become effective at a date thereafter to be designated by the governor.

During the 1990s, the Governor used this power to transform the organization of state government in ways hardly contemplated previously. Gone were separate departments of Social Services, Public Health, Mental Health, Labor, Commerce, Licensing and Regulation, and Natural Resources. In their places were a Family Independence Agency and departments of Career Development, Community Health, Consumer and Industry Services, and Environmental Quality. Moreover, numerous functions were transferred among the remaining original departments. The net result was an organization chart for state government in 2002 that bears little resemblance to the organization chart of a decade earlier.

State-level education functions were not immune from this organizational break with the past. Beginning in 1993, with the transfer of the operation of the School Bond Loan Fund to the Department of Treasury, several functions involving over 1,600 full-time equated (FTE) positions were transferred out of the Department of Education. Some of the transferred functions, such as disability determination (for purposes of Social Security eligibility), bear only a tenuous relationship to education and almost certainly found more appropriate homes in other agencies. Other transferred functions, such as the Michigan Educational Assessment Program (MEAP), bear a very direct relationship to educa-

<sup>1</sup> Constitutional Convention, *Address to the People*, Lansing, Michigan; August 1, 1962; page 78.

<sup>2</sup> *Ibid.*

tion and consequently have been the subjects of questions regarding their new organizational placement.

In addition, executive orders issued in 1996 transferred various powers from the State Board of Education to the Department of Education. In the case of *Straus v. Governor* (1999), the Michigan Supreme Court concluded that the Governor has what is essentially legislative power to accomplish such a transfer, subject only to a veto by both houses of the Legislature.

A decade has elapsed since the first transfers of activities from the Department of Education and enough has occurred to warrant a review of the organization of the education function as it exists currently and to view that organization in the context of both organizational principles and models that may be found in other states.

The reasons for any organizational change in government should include improved efficiency and accountability. At

the same time, any such change should be made in light of existing constitutional provisions, which may be difficult to reconcile with standard organizational approaches to improving efficiency and accountability.

In a similar vein, organizational structures that other states find suitable may not fit well into a Michigan context and, while other states may have lessons to teach, those lessons must be learned within a framework of history, law, and state-local relations that will vary from state to state.

Finally, it should be recognized that organization, while important, can only provide a setting for governmental activity. A “perfect” organizational structure deprived of adequate resources, either human or financial, will not produce the desired results. A good organizational structure, however, can foster more effective, efficient, and accountable use of any existing resources and it is to this end that this report is directed.

Timeline of Educational Organization Changes

1963-1975

Provisions in the 1963 Michigan Constitution called for the creation of the State Board of Education, and the appointment of Superintendent of Public Instruction. The Executive Organization Act of 1965, Public Act (PA) 380, formally established the Department of Education and included a limitation of no more than 20 principal departments in the executive branch. In their original incarnations, these measures delineated the duties of the elected 8-member Board as those of leadership and general supervi-

sion over all public education. Further, the Superintendent was specifically named as the executive head of the Department of Education. Public acts affecting the Department or the Board during this period added areas of functional responsibility, as seen in PA 239 of 1967, in which the Board was given the authority to recognize a state of emergency in certain school districts, and PA 39 of 1970 (repealed in 1979), which authorized the Board to establish neighborhood education centers.

Year	Legislation	Result
1967	PA 239	Gave Board power to recognize state of emergency in certain school districts
1970	PA 39	Authorized Board to develop, organize and operate neighborhood education centers

1976-1989

Between the years 1976 and 1989, legislative measures pertaining to the Department of Education generally augmented the existing responsibilities of the Board or the Department, including the formation of a special education advisory committee to the State Board in 1983 and the creation of the Higher Education Assistance Authority in 1989.

The first instance of a unit being statutorily removed from the Department came in the form of the Library of Michigan Act, PA 540 of 1982, which authorized the transfer of the Library of Michigan to the Legislative Service Bureau. (Note: In 2001, the Library of Michigan was moved to the Department of History, Arts and Libraries.)

Year	Legislation	Result
1982	PA 540	Library of Michigan Act. Transferred Library of Michigan to Legislative Services Bureau. Library transferred to Department of History, Arts and Libraries by PA 63 of 2001
1983	PA 240	Created Special Education Advisory Committee within Department
1989	PA 128	Created Michigan Higher Education Assistance Authority

1990-1995

Whereas the Library of Michigan Act stemmed from the legislature, the early 1990s marked the onset of a period in which functional reallocation would appear more regularly in the form of executive orders emanating from the Governor's Office. Three consecutive executive orders in 1993 marked the first of many such orders that would af-

fect the functions of the Department. The first of these orders, Executive Order 1993-19, transferred the School Bond Loan Fund program to the Department of Treasury. Executive Order 1993-20 moved Rehabilitation Services from the Department of Education to the Michigan Jobs Commission, which was later absorbed by the Department

of Career Development. Finally, Executive Order 1993-21 placed Disability Determination Services in the Department of Social Services, now the Family Independence Agency.

The transfer of responsibilities through executive orders continued in 1995 when 3 additional Department of Education units were assigned to different departments. The

Michigan Higher Education Assistance Authority and Student Financial Assistance Services were relocated to the Department of Treasury through Executive Order 1995-3. In addition, oversight of Regional Education Media Centers moved from the Department of Education to the Department of Management and Budget through Executive Order 1995-14.

Year	Legislation	Result
1993	EO 19	School Bond Loan Fund transferred to Department of Treasury
1993	EO 20	Rehabilitation Services transferred to Michigan Jobs Commission (now Department of Career Development)
1993	EO 21	Disability Determination Services transferred to Department of Social Services (now Family Independence Agency)
1995	EO 3	Michigan Higher Education Assistance Authority, Michigan Higher Education Student Loan Authority and Office of Student Financial Services transferred to Department of Treasury
1995	EO 14	Creation of Michigan Information Network (MIN) in Department of Management and Budget; Transferred control of Regional Educational Media Centers to MIN

### 1996-2001

The trend of redefining and reorganizing through executive order continued into 2001. Executive Order 1996-11 transferred numerous general administrative functions and responsibilities traditionally held by the Board of Education to the Superintendent of Public Instruction. The act specifically transferred the authority to establish the internal organization of the Department as well as the power to allocate duties and functions within the Department to the Superintendent of Public Instruction.

While Executive Order 1996-11 was general in nature, it was accompanied by Executive Order 1996-12, which ordered that the Superintendent take direct control over 139 specific functions previously executed by the Board. The act further specified 36 functions over which the State Board would continue to preside. Both Executive Order 1996-11 and 1996-12 contain the phrase, “Nothing in this Executive Order should be construed to diminish the constitutional authority of the State Board of Education to provide leadership and general supervision over all public education... and its authority to serve as the general planning and coordinating body for all public education...”

Substantial changes to the locus of authority over major statewide education programs also were brought about in 1999. The creation of the Department of Career Development through Executive Order 1999-12 gave a new departmental home to adult, vocational, and post-secondary education services, including community colleges, the King-Chavez-Parks Initiative, proprietary schools, education corporations and veterans’ education.

A smaller section of the same order transferred the state assessment program, the Michigan Education Assessment Program (MEAP) to the Department of Treasury. One aspect of MEAP called the Michigan Merit Award provides scholarships to college-bound high school students with high achievement on the test. The allocation of these monies is financial, but the functions otherwise related to the administration of MEAP are primarily educational in nature.

While the relocation of MEAP and the reassignment of administrative duties between the Superintendent and State Board of Education followed the trend of reallocation seen after 1993, the creation of the Center for Educational Per-

# ORGANIZATION OF STATE OF MICHIGAN EDUCATION FUNCTIONS

formance and Information (CEPI) in 2000 marked a deviation from this pattern. The establishment of CEPI marks the first instance of an educational unit being created wholly independent of the Department of Education. Although CEPI has since been moved to the Department of Manage-

ment and Budget, the importance of systematic and accurate data collection and reporting is central to the implementation of No Child Left Behind, the reauthorization of the federal Elementary and Secondary Education Act.

Year	Legislation	Result
1996	EO 11	Designated specific responsibilities to be transferred to the Superintendent of Public Instruction
	EO 12	Specified duties to be retained by State Board of Education
1999	EO 12	Establishment of Department of Career Development; Transfer of Adult and Vocational Education to Department of Career Development; Transfer of Postsecondary Services to Department of Career Development; Transfer of Michigan Educational Assessment Program to Department of Treasury
2000	EO 9	Provisionally created Center for Educational Performance and Information (CEPI)
2000	EO 11	Moved Public Education Facilities Authority to Department of Treasury
2001	PA 63	Created Department of History, Arts and Libraries
2001	EO 3	Created Department of Information Technology; Transferred Michigan Information Network to Department of Information Technology

## Summary

Between 1963 and 1992, neither the Governor nor the Legislature took active steps to alter the general organization or responsibilities of the Department of Education. With the exception of the Library of Michigan Act, statutory changes made to the Department from 1963 to 1992 were minor and generally called for the addition of new functions within the Department. Beginning in 1993, the Governor increasingly invoked the authority to reorganize

the executive branch via executive order. Through numerous executive orders between 1993 and 2001, the Governor removed primary responsibility for certain educational functions from the Department of Education, either by transferring duties to existing departments or to newly-created departments, such as the Department of Career Development.

## State Education Functions

While most core state educational support functions remain in the Department of Education, other departments are responsible for the provision of a number of state education functions.

- The Department of Career Development is responsible for workforce preparation programs and oversight of post-secondary education.
- The Department of Community Health provides programs promoting the health of students and providing health education programs.
- The Family Independence Agency has assumed responsibility for Disability Determination Services, which resided in the Department of Education until 1993, and is also responsible for administering the school aid funding for court placed children.
- The Library of Michigan also resided in the Department of Education at one time, but now is part of the new Department of History, Arts and Library.
- The Department of Management and Budget is responsible for the School Employees' Retirement System and the Center for Educational Performance and Information that works with Standard and Poor's Corporation to provide school evaluation services.
- The Department of Treasury is responsible for the Michigan Educational Assessment Program (MEAP), the monetary awards associated with that test, the school bond loan fund, educational facilities authorities, and higher education financial assistance programs.

The program descriptions that follow include information about budgets and full-time equated positions (FTEs). This information is based on budgets formulated prior to the Executive Order budget cuts of December 5, 2002. The budgeted positions are displayed when possible to illustrate the size of functions relative to the overall size of the Department of Education and other departments. Not all budgeted positions are filled.

### Department of Education

The Department of Education “administers state school aid payments and federal grants distributed to Michigan’s public schools. It focuses on improving student achievement through early intervention programs and special education, as well as providing targeted services to low-achieving schools.” The department is responsible for certifying that new teachers are prepared to teach. Additionally, the department also operates the state schools for the deaf and blind. The Department of Education has a Fiscal Year 2003 budget of \$214.4 million with 442.1 full-time equated positions.

#### Office of School Support Services

The Office of School Support Services oversees the administration of several different federal – child nutrition and food distribution – and state – Pupil Transportation Program, Driver Education Program, Motorcycle Safety and ATV/ORV (Off Highway Vehicles) – programs. School Support Services has a budget of \$5.3 million and 41.4 FTEs, mostly for the school meals programs.

**School Meals Unit** – Assists public and non-public schools and residential child care facilities to provide meals through federal and state meal reimbursement grants, technical assistance, program monitoring and evaluation, and formal training. The unit administers the National School Lunch, School Breakfast, Nutrition Education and Training, Team Nutrition and Special Milk Programs. The programs are primarily federally funded through the United States Department of Agriculture and administered statewide by the Department of Education.

**Pupil Transportation Unit** – Major activities include administering the distribution of training funds in Section 74 of the State Aid Act for basic school bus driver safety education and continuing education courses, and providing assistance to school districts, parents, legislators and others on pupil transportation issues.

**Drivers Education** – Major activities include: processing school district reimbursement reports, monitoring new and existing driver education instructor authorization, process-

ing driver education certificates and providing consultant services to students, parents, school officials, legislators and other traffic safety related agencies, and approving commercial driving schools offering instructional programs to teen drivers. Funds to support the driver education program are derived solely from Michigan driver license fees.

**Motorcycle, ATV, ORV Training Programs** – The motorcycle safety program’s major activities include review and approval/ disapproval of grant applications, monitoring the continued eligibility of motorcycle safety instructors, conducting program evaluation, and providing assistance to program sponsors, students, and others. Funds to support the motorcycle safety program are derived from motorcycle license endorsements, annual motorcycle registration fees, and motorcycle operator driving test fees. Motorcycle safety education programs are offered statewide through grants to various community colleges, universities, law enforcement agencies, local and intermediate school districts.

The ATV/ORV Safety program’s major activities include review and approval/disapproval of grant applications, monitoring the continued eligibility of ATV/ORV instructors, conducting program evaluation, and providing assistance to program sponsors, students, and others. Funds to support the ATV/ORV safety program are derived from ORV license fees. ATV/ORV safety education programs are offered through grants to various community colleges, universities, law enforcement agencies, local and intermediate school districts.

## Office of School Aid and School Finance

Office of School Aid and School Finance is responsible for administering the State School Aid Act and distributing over \$11 billion in state funds to public school districts across the state. In addition, this office provides guidance on issues of school finance and tax policy, public school district financial accounting, various financing mechanisms available to school districts, and information on pupil accounting statutes and rules. Finally, the office provides interpretation, analysis, and coordination of departmental activities related to the annual development of the State School Aid K-12 budget. The Office of School Aid and School Finance operates with 8 FTEs, 7 for School Aid and 1 for School Finance.

## Office of Education Options, Charters, Choice

The Office of Education Options, Charters, Choice provides parents, students and educators with information about the educational programs in support of options and choice. Michigan parents have two major opportunities to exercise choice in where their children will attend school: inter-district choice or charter schools. Parents also have other options available within the traditional organization of schools and school districts, including: gifted and talented programs, advanced placement courses, high school/college dual enrollment, alternative education programs, and international programs. The Office operates with 8.8 FTEs and a budget of \$1.4 million.

## Office of Field Services

The Office of Field Services facilitates the improvement of student achievement in Michigan by collaborating with school districts on the implementation of their school improvement plans through identification, coordination, and utilization of categorical programs and other resources.

The Office also is responsible for assuring that the resources available to school districts are focused and targeted on improved student learning for all students. This responsibility includes the administration of 14 state and federal programs, (12 grant programs and 2 administrative programs)

The Office of Field Services contains two units. Through Regional Services, each school district has a Field Services consultant who is a member of a team serving that region of the State. Through Central Support, a team composed of specialized consultants, analysts and support staff manage the intricacies of each of the programs, such as applying for Federal funds, reporting data to the U.S. Department of Education, and allocation of funds.

The Office of Field Services operates with 44 FTEs and a budget of \$5.3 million.

## Office of Professional Preparation Services and Certification (OPPC)

The OPPC fosters the educational achievement of all Michigan youth and adults by assuring that all professional school personnel complete preparation and professional develop-

ment programs which meet standards established by the Michigan Legislature and the State Board of Education. The OPPC operates with 31 FTEs and a budget of \$4.6 million.

## Office of School Excellence

The Office of School Excellence provides leadership and activities to help Michigan schools to become high quality schools and educational systems. The office is one of the largest in the Department, with 61.5 FTEs, and has 3 main units: Early Childhood and Parenting Programs, Curriculum (K-12), and Learning Support. The budget for this Office is \$12.4 million.

**Curriculum Unit** – Provides leadership and services to help schools improve teaching and learning in English Language Arts, Fine Arts, Mathematics, Science and Social Studies.

The Curriculum Unit is responsible for staff support in developing the new accreditation standards that have recently been approved by the Michigan State Board of Education.

**Learning Support** – Works with schools, parents, students and communities to promote higher standards of teaching, and to support the learning of young people.

The Learning Support Unit provides direction and support to school districts across the state on: teacher and administrator professional development, comprehensive school health education, coordinated school health programs, HIV/AIDS and sexuality education, physical education, character education, and low-performing schools.

**Early Childhood and Parenting Programs** – Operates several programs aimed at preparing pre-kindergarten age children to succeed in school.

## Office of Special Education and Early Intervention Services (OSE-EIS)

The Office of Special Education and Early Intervention Services oversees the administrative funding of education and early intervention programs and services for young children and students with disabilities. This office operates on a budget of \$11.5 million and with a staff of 69.6 FTEs.

Early intervention services are coordinated for infants and toddlers (birth through age 2) with disabilities and their families according to federal regulations and state standards. A free appropriate public education is provided to eligible children and youth from birth through age 25, according to federal statute and regulations, state statute, administrative rules, and standards.

## Schools for Deaf and Blind

The Schools for Deaf and Blind operate on a budget of \$9.9 million and 96 FTEs (93 for School for Deaf, 3 for School for Blind).

Michigan School for the Deaf's (MSD) provides educational, cultural, social, and vocational programs. MSD provides a traditional educational experience for children who are deaf or hard-of-hearing and who are referred by their local school districts. MSD's full-time enrollment for school years 1998-99 and 1999-2000 was 120 and 107 students, respectively.

Michigan School for the Blind's (MSB) aims to maximize the potential and improve the quality of life of individuals who are visually impaired through the provision of education and related services. MSB no longer operates a residential school, but instead provides various outreach programs and services to students with visual impairments who are enrolled in public or private schools throughout the state. MSB also operates a summer program at a facility, known as Camp Tuhsmehta, located in Kent County. The Camp, which comprises approximately 290 acres, is funded by the Blind Gift Trust Fund.

## Office of Safe Schools and Administrative Law

The Assistant Superintendent is responsible for assisting the Superintendent of Public Instruction by providing leadership and supervision for the Office of Safe Schools. In addition, the Assistant Superintendent oversees the Office of Administrative Law and functions as the Department's liaison to financially distressed school districts, at the Superintendent's request.



## Department of Career Development

The mission of the Michigan Department of Career Development (MDCD) “is to continuously improve the Career Development System so that it produces a workforce with the required skills to maintain and enhance the Michigan economy.” Created by Executive Order 1999-1, the MDCD assumed the workforce development responsibilities that previously had been housed in the Jobs Commission. (At this writing, organizational changes are contemplated that involve the Department of Career Development. Those changes have yet to be approved and announced.) The MDCD operates post-secondary education services, the Employment Service Agency, rehabilitation services, and other workforce development programs. The MDCD houses several functions directly or indirectly associated with education that had previously been located in the Michigan Department of Education, including adult education, career and technical preparation, post-secondary services, and rehabilitation services. The Department operates on a budget of \$606.0 million and a total of 1,326.5 FTEs.

### Office of Adult Education and Spanish Speaking Affairs

**Adult Education** – Provides an opportunity for mature students to achieve education levels equivalent to those of high-school graduates. To be eligible for state funding, participants must be in an adult basic education programs, an adult English as a second language program, a general education development (G.E.D.) test preparation program, a job or employment related program, or a high school completion program. The Adult Education Unit operates with 15 FTEs and a budget of \$2.2 million.

### Office of Postsecondary Education

The Office of Postsecondary Education promotes access to, retention in and completion of individual student goals in quality comprehensive post-secondary services. The Office oversees Community College Services, Proprietary Services, the King-Chavez-Parks Initiative, Education Corporations, and the Veterans Program. The Office houses 23 FTEs to administer these programs and has a budget of \$2.5 million.

**Community College Services** – Works to ensure: 1) Increased access to affordable community college education; 2) Excellence in teaching and learning through quality comprehensive services; and 3) Increased communications with business leaders, the legislature, and the citizens of Michi-

gan. The unit’s major responsibilities are twofold: 1) provide oversight and technical assistance to community colleges; and 2) administer the Carl D. Perkins Vocational and Applied Technology Act as it relates to post-secondary occupational education. This federal legislation provides colleges with the financial support necessary to program improvement activities and prepare students for employment in current or emerging occupations requiring other than a baccalaureate or advanced degree.

### Proprietary Services/Private Trade or Business School –

Proprietary schools are private schools that teach a trade, occupation or vocation, usually beyond the high school level. In Michigan, these schools offer diplomas or certificates rather than degrees. The purpose of proprietary school licensure is to: 1) Insure that students receive quality education and training from privately owned trade schools operating within the state of Michigan by reviewing the schools for compliance with minimum quality and performance standards; 2) Insure that permits to operate new schools are issued only to applicants who meet all state standards relative to the operation of a proprietary school in the state of Michigan; 3) Insure that existing schools remain in compliance with state quality standards; 4) Resolve formal complaints about school practices and unlicensed operation; 5) Insure that students affected by school closures are able to complete their programs, or are indemnified against loss of tuition and fees; 6) Insure that records of schools are properly secured and maintained; and 7) Provide information on proprietary schools to students, parents, businesses and other interested citizens.

**King-Chávez-Parks Initiative (KCP)** – Aims to achieve parity in the graduation rates of minority students who have traditionally been under-represented in Michigan’s higher education system equal to their share of the state’s population.

**Education Corporations Unit** – Works to ensure that private incorporated educational enterprises proposing to offer programs in Michigan meet minimum standards of quality in 5 statutory areas: housing facilities; educational programs; laboratories, libraries and other teaching facilities; faculty and staff; and capitalization. The Unit also maintains a list of locations for student transcripts of colleges that have closed since 1945. There currently are 60 approved operating degree-granting educational corporations in Michigan.

**State Approving Agency Veterans Education and Training Unit** – Evaluates and approves educational and technical/trade programs for veterans and their eligible independents under the federal veterans’ education benefit programs. Program approval may be sought by public and nonpublic organizations that provide a curriculum-based program. These organizations may be institutions of higher learning, non-accredited schools, non-college degree programs, apprenticeship programs and on-the-job training programs. Programs must be approved by the SAA before veterans and their eligible dependents can receive educational benefits.

The SAA also updates approved programs and conducts annual site visits to organizations that have veterans or eligible dependents attending and approves sites for academic testing under the Licensing and Certification Approval System (LACAS). Veterans and eligible dependents who take a test at an approved test site may be reimbursed for their test fees.

**Office of Career and Technical Preparation**

The Office of Career and Technical Preparation operates was budgeted \$3.5 million and 32 FTEs for FY2003.

**Career and Technological Education** – Students enrolled in these programs have the opportunity to acquire skills that prepare them for successful career entry, advancement and/or continuing education. These skills are transferable as well as job specific and basic to the students’ general education, providing them with the foundation for life-long learning. CTE programs are categorized in 6 career pathways: Business Management, Marketing and Technology; Engineering/Manufacturing & Industrial Technology; Health Sciences; Natural Resources and Agriscience; Career and Technical Student Organizations (CTSO); Family and Consumer Sciences (FCS) (programs are being developed in Arts and Communications; Human Services; Professional Development).

**Career Preparation System** – A system designed to provide all students completing the Michigan educational system with the necessary academic, technical and work behavior knowledge and skills for success in a career of their choice and lifelong learning. There are 7 interconnecting components: academic preparation; career development; workplace readiness; professional and technical education; work based learning; and school improvement.

Approximately 250 Michigan schools are currently licensed and 25 out-of-state schools have been issued certificates of

compliance, enabling them to recruit Michigan students. The Proprietary School Unit also licenses solicitors annually.

**Michigan Rehabilitation Services (MRS)**

MRS assists Michigan residents with disabilities into employment and self-sufficiency. MRS is part of a network of vocational rehabilitation (VR) programs across the U.S. authorized by the Federal Government under the Rehabilitation Act of 1973, as amended. MRS operates offices throughout the state, serving citizens in all 83 counties.

**Michigan Rehabilitation Council (MRC)** – The MRC is a governor appointed organization as mandated in the federal legislation, the Rehabilitation Act of 1973. State Rehabilitation Councils were created to ensure that citizens have a mechanism to utilize as they advocate and advise the agency in their respective state, on how effective its policies, programs, and services are in meeting the needs and desires of individuals with disabilities. Every state has a rehabilitation council. Many states, like Michigan, have a separate council for the state agency that serves persons who are blind and/or have visual impairments.

**Michigan Career and Technical Institute (MCTI)** – MCTI, located on the shores of Pine Lake in Barry County, offers 13 different career training programs for adults with disabilities. The mission at MCTI is to provide vocational and technical training and support services to prepare Michigan citizens with disabilities for employment in today’s competitive job market. MCTI operates with a staff of 93 FTEs and a budget of \$11 million.

**Community Service Commission**

The MCSC grants federal, state, and private-sector funds to organizations and agencies to encourage individuals to volunteer and connect with their neighbors. The MCSC also works to recognize and celebrate the efforts of Michigan’s volunteers, who demonstrate the awesome power of giving back to their community.

Annually, the MCSC grants nearly \$19 million to local communities for: AmeriCorps; Volunteer Investment Grants; Learn & Serve Michigan Grants; and, Michigan’s Promise.

The MCSC also works to publicly recognize the things Michigan residents voluntarily do for others every day through special events such as these: Governor’s Service Awards; Make A Difference Day; and Youth Poster Contest.

## Department of Treasury

The Department of Treasury “exists to provide quality financial, tax, and administrative services.” As one of the principal departments created by the 1963 Michigan Constitution, the Department of Treasury is responsible for collection and investment of state revenues, oversight of local government finances, and administration of several financial programs.

Several education functions have been relocated to the Department of Treasury since 1993, the most controversial of which was the Michigan Educational Assessment Program (MEAP). Most of the education-related functions currently administered by the Department of Treasury involve the administration of bonds and facility financing and financial assistance programs for higher education.

The Department operates on a budget of \$1.9 billion and a staff of 1,861.5 FTEs.

### Office of Cash and Debt Management

The Office of Cash and Debt Management deals with issues of cash flow as well as oversight of the School Bond Loan Fund and Michigan Underground Storage Tank Facility Act Finance Authority.

**School Bond Loan Fund** – Provides a state credit enhancement and loan mechanism for school district bond issues. The bonds must be qualified by the State Treasurer and the bond proceeds must be used for capital expenditure purposes. Bond proceeds cannot be used for maintenance and repair costs, employee salaries, or other operating expenses.

A district that receives qualification will get a rating on the bonds equal to the state’s credit rating; which will usually result in a lower interest rate and cost. A second advantage is that a district may borrow from the state an amount sufficient to enable the district to pay principal and interest requirements on its outstanding qualified bonds. A minimum debt millage must be levied before a district can borrow from the state.

### Facilities Authority

**Michigan Higher Education Facilities Authority** – An agency created for the benefit and development of private, independent, nonprofit institutions of higher education in Michigan. The Authority issues bonds and extends loans to independent colleges and universities to finance or refi-

nance the acquisition, construction, equipping, or alteration of educational facilities.

**Michigan Public Educational Facilities Authority** – The Authority is designated to receive and utilize all allocations of the amount of tax-exempt obligations that may be issued to finance qualified public educational facilities as provided by Section 142(k)(5) of the Internal Revenue Code of 1986.

### Michigan Merit Award Program

The Merit Award Program operates with a budget of \$6.9 million and a total budgeted staff of 21 FTEs. These resources are used to administer the statewide MEAP test and the award program associated with it.

**Michigan Education Assessment Program (MEAP)** – MEAP tests are given to all Michigan 4th, 5th, 7th, 8th and 11th grade students. The tests measure what Michigan educators believe all students should know and be able to achieve in 5 content areas: mathematics, reading, science, social studies, and writing.

**Michigan Merit Award** – A merit-based program to reward student achievement as measured by the Michigan Educational Assessment Program (MEAP) tests. The award is to be used for educational expenses at approved post-secondary institutions. The award maximum is \$2,500 for in-state institutions or \$1,000 for out-of-state institutions.

**Golden Apple** – Administration of a monetary award for individual school buildings whose pupils achieve high levels of success on MEAP tests.

**Governor’s Cup** – The Governor’s Cup was established in 2000 as a non-monetary award to recognize 1) the high school in each athletic conference with the highest number of Michigan Merit Award recipients, and 2) the high school in each athletic class size with the highest number of Michigan Merit Award recipients (i.e., “State Champions” in Classes A, B, C and D).

### Bureau of Student Financial Assistance

**Bureau of Student Financial Assistance Services** – Administers programs that provide financial assistance in the form of loans and grants for post-secondary education students with limited financial resources and that provide degree reimbursement assistance to private, nonprofit institutions of

higher learning for degrees earned by state residents.

**Michigan Education Trust** – Contract program that requires pre-college investment in exchange for which MET provides in-state or in-district/out-of-district (for community colleges) undergraduate tuition and mandatory fees at a Michigan public university/college.

**Michigan Higher Education Assistance Authority** – Responsible for guaranteeing loans to post-secondary students and their parents under various state and federal student loan programs and provides loan applications and information, processes loan applications and monitors compliance with state and federal regulations for the dispensing and collection of student loans.

**Michigan Higher Education Student Loan Authority** – Operates loan programs to make low-interest, long-term educational loans available to post-secondary education students under the Michigan Direct Student Loan Program and to students and parents of students under the Michi-

gan Alternative Student Loan Program, and also operates a State Secondary Market that purchases federally-insured loans from financial institutions, thus providing these institutions with capital to reinvest in new student loans.

**Office of Scholarships and Grants** – Provides eligible students, high schools, colleges and universities with access to individual- and school-level data for the college competitive scholarships, tuition grants and the Postsecondary Access Student Scholarship (PASS).

### **Sample Curriculum and Plans for Education (SCOPE)**

An Internet-based sample curriculum and lesson plans to assist local school districts in producing a local core curriculum. This model curriculum has been produced by the subject area consultants of the Oakland intermediate school district in collaboration with local teachers and subject area experts based upon their knowledge of state and national curriculum standards, their curriculum design experience, and their study of professional literature in the field of curriculum.

## **Department of Community Health**

The Michigan Department of Community Health (MDCH) “strives for a healthier Michigan. To that end, the department will:

- Promote access to the broadest possible range of quality services and supports
- Take steps to prevent disease, promote wellness and improve quality of life
- Strive for the delivery of those services and supports in a fiscally prudent manner”

The MDCH was created by Executive Order 1996-1, assuming all responsibilities of the previous Department of Mental Health as well as select functions from the departments of Public Health, Social Services, Commerce, Agriculture, Environmental Quality, Labor, and Management and Budget. The MDCH provides services that attempt to educate school age children on health matters and supports the health of Medicaid-eligible children.

MDCH operates on a budget of \$9.8 billion and has a staff of 5,672.3 FTEs.

### **Office of Community Public Health, Division of Chronic Disease and Injury Control**

**Health Education, Promotion and Readiness** – Particular areas of attention include: worksite and community health promotion; tobacco use; school health; and, osteoporosis prevention and treatment.

**Physical Fitness, Nutrition and Health** – Six major fitness initiatives are funded including a public awareness program, a new curriculum for teachers, a statewide awards program for those providing leadership in fitness, a mini-grant program, and a sports injury prevention program centered on football and in-line skating.

### **Office of Health Promotions and Publications, Tobacco Section**

**Smoking Prevention** – Youth tobacco use prevention, smoking cessation, second-hand smoke prevention and comprehensive school education programs are supported. A media campaign is used to discourage use.

## Medical Services Administration

The Medical Service Administration operates with a staff of 333.7 and a budget of \$47.2 million.

**Medicaid School-Based Services** – Language, speech, hearing, nursing, counseling, physical and occupational therapy, and health screening services are provided to Medicaid eligible students in school settings.

## Office of Drug Control Policy

The Office of Drug Control Policy operates on a budget of \$30.6 million and a staff of 17 FTEs. Its primary role is to administer federal funds for drug law enforcement, treat-

ment, education and prevention programs.

**Safe and Drug Free Schools** – The Federal government’s primary vehicle for reducing drug, alcohol and tobacco use, and violence, through education and prevention activities in schools. This program is designed to prevent violence in and around schools, and strengthen programs that prevent the illegal use of alcohol, tobacco, and drugs, involve parents, and are coordinated with related Federal, State and community efforts and resources.

**School Drug Prevention** – Federal funds appropriated under the Drug Free Schools and Communities program provide a per-pupil grant to be use for drug prevention programs.

## Family Independence Agency

The Family Independence Agency (FIA) protects children and vulnerable adults, delivers juvenile justice services, and provides support to strengthen families and individuals striving for independence. FIA personnel administer the state and federal assistance programs, foster care programs, protective service programs, and youth programs. The FIA administers provisions in the School Aid Act that provides funding for court placed children and disability determination services.

## Child and Family Services Administration, Bureau of Juvenile Justice

**School Funding for Court Placed Children** – FIA works with the Department of Education and all other state and local agencies necessary to ensure funding through the State School Aid Act, to educate pupils assigned by a court or the FIA to reside in a state-operated juvenile detention or treatment facility.

## Bureau of Disability Determination Services

The Disability Evaluation under the Social Security Administration (SSA) is the process designed to allow benefits to be provided to persons with severe disabilities whose impairments prevent them from performing gainful work. State DDS agencies are 100 percent federally funded and make their decisions according to SSA rules and regulations. The DDS agencies are responsible for developing medical evidence and rendering the initial determination on whether the claimant is or is not disabled or blind. DDS also determines continuing disability/blindness when a medical review is required.

DDS operates with a budget of 73.4 million and has a staff of 620 FTEs.

## Department of History, Arts and Library

The Department of History, Arts and Library, created by Public Act 63 of 2001, brings together the cultural institutions operated by the state government, including the Historical Center, the Library of Michigan, the Council for Arts and Cultural Affairs, the Mackinac State Historical Parks, and the Michigan Film Office. While many of these functions are educational in nature, only the Library of Michigan was formerly housed in the Department of Education.

## Library of Michigan

The Library of Michigan serves as a depository for all public documents issued by a state official, department, board,

commission, or agency. It also acts to further the development of statewide school library services and encourage cooperative arrangements among libraries. The Library collects statistics on all kinds of libraries in the state, conducts research and publishes the results for the benefit of libraries, and provides all services to the libraries of the state.

**Commission on Asia in Schools** – The Commission’s mission is to explore strategies that expand teaching and learning about Asia and other world regions in Michigan schools.

**Department of Management and Budget**

The Department of Management and Budget (DMB) mission is “To support the business operations and objectives of state government.” The primary responsibilities of DMB are to provide services to state agencies and civil servants, to prepare and administer the state budget, and to oversee public retirement systems. DMB administers the Public School Employees’ Retirement System and has recently been charged with the school evaluation services housed in the Center for Educational Performance and Information (CEPI). DMB has staff of 854.5 FTEs and a budget of \$78.6 million.

**Office of Retirement Systems**

The Office of Retirement Systems administers the Judges Retirement System, State Employees’ Retirement System, State Police Retirement System, and Public School Employees’ Retirement System. Its staff totals 165.5 FTEs and it operates on a budget of \$15.3 million.

**Michigan School Employees’ Retirement System** – A state-wide public employee plan administered by the Office of

Retirement Services. The System is a defined benefit plan qualified under section 401(a) of the Internal Revenue Service Code.

The System collects and compiles employee wage, contribution and service information from 554 K-12 districts, 59 charter schools, 7 universities, 28 community colleges, 57 intermediate school districts and 11 libraries.

**Office of Budget Director**

**Center for Educational Performance and Information (CEPI)** – CEPI is charged with establishing relevant procedures for collecting and managing educational data; establishing a single repository of educational data; providing technical support to ISDs, local school districts, and public school academies (charter schools) so that data collection is efficient, accurate, eliminates unnecessary duplication, and assures the appropriate level of security; and provides technical assistance to users of educational data. To accomplish these tasks, CEPI has contracted with Standard and Poor’s.

**Michigan Economic Development Corporation**

**Michigan Technical Education Centers** – Run by established community colleges, 15 centers are now open and operating. These centers are structured with an accent on

providing training based on industry standards. This will reflect current certification and qualification requirements of the respective local industries.

**Others**

**Michigan Virtual University (MVU)** – A private, not-for-profit Michigan corporation established in 1998 by the Michigan Economic Development Corporation to deliver online education and training opportunities to the Michigan workforce. Although MVU received a start-up grant from the Michigan Strategic Fund, it is a 501(c)(3) that operates independent of state government. MVU is governed by a board of directors representing the employer community, education leaders, and the State of Michigan.

MVU contracts for the delivery of its programs and services through the colleges and universities in Michigan and private training providers. MVU does not independently grant degrees; instead, credentials are granted by the organization providing the program.

**Michigan Virtual High School (MVHS)** – Public Act 230 of 2000 required the Michigan Virtual University to develop, implement, and operate a virtual high school. The act created goals for the MVHS, mandated a minimal level of content, and established eligibility for participation. Working with the Department of Career Development and the Michigan Economic Development Corporation the MVHS uses funding from the School Aid Act to provide expanded learning opportunities for teachers and students at the high school level.

## Classifying State Education Functions

Several classifications are used herein to analyze and sort the state education functions. While some functions may be sorted into more than one classification, the intent is to place each function into the classification that best characterizes the purpose of the function. The following descriptions provide working definitions for understanding the classifications.

**Planning and Policy Development** – Establish policies for implementation at the district level.

**Quality Assurance** – Quality assurance consists of certification/accreditation and evaluation and oversight.

**Certification/Accreditation** – Assessment of the qualifications of professional personnel and the quality of specific schools.

**Evaluation and Oversight** – Assessment of the achievement levels of pupils and other measures of educational outcomes.

**Local School Support** – Technical and policy direction to building and district administrators, staff, and support personnel to facilitate programs.

**Direct Provision** – Programs delivered by state personnel, as opposed to local programs for which the state provides funding, support, and oversight.

**Financial** – The state financial role takes shape in three ways – school aid, administrative, and aid to parents and/or students.

**School Aid** – Administration of formulas for distributing state funds, for maintaining records that drive those formulas, and for providing guidance on the proper uses of state funds to comply with state laws.

**Administrative** – Administration of state fund and facility authority programs available to local governments and universities.

**Aid to Parents/Students** – Administration of financial assistance to parents and/or students.

Responsible Department	Quality Assurance				Financial			Aid to Parents/ Students
	Planning & Policy Development	Certification/ Accreditation	Evaluation	Local School Support	Direct Provision	School Aid	Administrative	
Education	<ul style="list-style-type: none"> <li>Office of Safe Schools and Administrative Law</li> </ul>	<ul style="list-style-type: none"> <li>Professional Preparation Services</li> <li>School Accreditation</li> </ul>	<ul style="list-style-type: none"> <li>School Finance</li> </ul>	<ul style="list-style-type: none"> <li>School Excellence</li> <li>Field Services</li> <li>Education Options, Charters, Choice</li> </ul>	<ul style="list-style-type: none"> <li>Schools for Deaf and Blind</li> </ul>	<ul style="list-style-type: none"> <li>School Aid</li> <li>Drivers Education</li> <li>Motorcycle, ATV, ORV Training</li> <li>Pupil Transportation</li> <li>School Meals</li> <li>Special Education &amp; Early Intervention Services</li> </ul>		
Career Development		<ul style="list-style-type: none"> <li>State Approving Agency for Veterans Education &amp; Training Unit</li> <li>Education Corporations Unit</li> <li>Proprietary Services</li> </ul>	<ul style="list-style-type: none"> <li>Community College Services</li> <li>Rehabilitation Council</li> </ul>		<ul style="list-style-type: none"> <li>Adult Education</li> </ul>	<ul style="list-style-type: none"> <li>Community Service Commission</li> </ul>	<ul style="list-style-type: none"> <li>King- Chávez - Parks Initiative</li> <li>Carl D. Perkins Vocational and Technical Education Act</li> <li>Workforce Investment Act</li> </ul>	
Treasury			<ul style="list-style-type: none"> <li>MEAP</li> </ul>		<ul style="list-style-type: none"> <li>SCoPE</li> </ul>	<ul style="list-style-type: none"> <li>School Bond Loan Fund</li> <li>Higher Education Facilities Authority</li> <li>Public Educational Facilities Authority</li> </ul>	<ul style="list-style-type: none"> <li>Merit Awards</li> <li>Higher Education Assistance Authority</li> <li>Higher Education Student Loan Authority</li> <li>Office of Scholarships and Grants</li> </ul>	



# ORGANIZATION OF STATE OF MICHIGAN EDUCATION FUNCTIONS

Responsible Department	Quality Assurance			Local School Support			Financial			Aid to Parents/ Students
	Planning & Policy Development	Certification/ Accreditation	Evaluation	Health Education, Promotion and Readiness	Direct Provision	School Aid	Administrative	School Aid		
Community Health				<ul style="list-style-type: none"> <li>- Health Education, Promotion and Readiness</li> <li>- Physical Fitness, Nutrition and Health</li> </ul>	<ul style="list-style-type: none"> <li>- Medicaid School-Based Services</li> </ul>		<ul style="list-style-type: none"> <li>- School Drug Prevention</li> <li>- Smoking Prevention</li> <li>- Safe and Drug Free Schools</li> </ul>			
Family Independence Agency					<ul style="list-style-type: none"> <li>- Disability Determination Services</li> </ul>	<ul style="list-style-type: none"> <li>- Funding for Court Placed Children</li> </ul>				
History, Arts and Library	<ul style="list-style-type: none"> <li>- Commission on Asia in Schools</li> </ul>			<ul style="list-style-type: none"> <li>- Library of Michigan</li> </ul>						
Management and Budget			<ul style="list-style-type: none"> <li>- School Evaluation Services</li> </ul>			<ul style="list-style-type: none"> <li>- School Employees' Retirement System</li> </ul>				
Other					<ul style="list-style-type: none"> <li>- Universities</li> <li>- Michigan Virtual University</li> <li>- Michigan Virtual High School</li> </ul>					

## Interstate Comparisons

**S**tate Boards of Education are chosen through appointment, election, or a combination, with gubernatorial appointment being the most common method of selection. Only Wisconsin and Minnesota do not have a state board of education. Whereas Wisconsin has traditionally had no state board of education, Minnesota's state board of education was dissolved in 1998 when the state legislature transformed the Department of Education into the Department for Children, Families and Learning. Currently, 10 states have elected state boards of education, 32 state have appointed boards, and 6 states have a combination of elected and appointed board members. In states where board members are appointed, the power to appoint those members

typically rests with the governor. Additional officials or bodies that may appoint members of a state's board of education include the state legislature, the lieutenant governor, the speaker of the house, local school boards or various educational advisory councils. (See **Table 1** on page 19.)

**Chief State School Officers.** The chief state school officer typically serves as the head of a state's department of education. The CSSO is appointed by the state board of education in 25 states and chosen through a general election in 14 states. In 11 states, the CSSO is appointed by the governor. (See **Table 1** on page 19.)

## State Education Governance

While a state's constitution or statutory regulations determine the type and range of authority vested in a state's board of education, most states have 6 areas of authority in common. They are generally responsible for 1) establishing certification standards, 2) setting high school graduation requirements, 3) establishing state testing programs, 4) de-

termining school accreditation standards, 5) making budget recommendations for the state's education agency, and 6) developing guidelines for the administration of state programs. (See Education Commission of the States website: <http://www.ecs.org/html/issue.asp?issueid=192> )

### States Selected for Interstate Comparisons

The 2 major factors used to choose the states in this comparison were a state's student population and a representative sampling of various models of state education governance. First, the population of school-age children was used to insure that peer states were included in the comparisons. Using the U.S. Department of Education's National Center for Education Statistics' Common Core of Data for 1999, student enrollment surpassed 1 million in 13 states. In this tier, Michigan ranks 8th with nearly 1.7 million students. California ranks first with just over 6 million and Virginia, with 1.1 million, ranks 13th. The majority of states below the top tier with respect to enrollment had between 450,000 and 1 million students. Two states, New Mexico and Hawaii, fell below this point with 325,000 and 115,000 students, respectively.

Second, educational governance structures were sampled to account for political differences. A total of 31 states were selected<sup>3</sup> in order to represent various categories of models of state education governance, as outlined in **Table 1**. Of

the 10 states in which the governor appoints the state board of education and the chief state school officer (CSSO) is appointed by the board, 6 were selected. Eight states have an elected state board of education which is also responsible for appointing the CSSO. Five of 8 states were selected from this group. A further variation is that the governor appoints the state board of education and the CSSO is elected. Of 10 states conforming to this model, 5 were selected. Half of the 8 states in which the governor appoints both the state board of education and the CSSO were polled. Beyond these 4 identifiable categories, 14 states do not conform to a particular model. Eleven of 14 states falling outside of the 4 categories were examined.

<sup>3</sup> Representatives from state departments of education, including area-specific directors, Superintendents of Public Instruction, Assistant Superintendents of Public Instruction, Chiefs of Staff or Public Information Coordinators were contacted by telephone and asked about the location of specific education-related functions. Where necessary, additional state agencies were contacted for clarification.

# ORGANIZATION OF STATE OF MICHIGAN EDUCATION FUNCTIONS

**Table 1**  
**Models of State Education Governance**

	School Board				Chief State School Officer		
	<u>Appointed</u>	<u>Elected</u>	<u>Combination Elected &amp; Appointed</u>	<u>No School Board</u>	<u>Appointed by Governor</u>	<u>Appointed by School Board</u>	<u>Independently Elected</u>
Alabama		X				X	
Alaska	X				X		
Arizona	X						X
Arkansas	X					X	
California	X						X
Colorado		X				X	
Connecticut	X					X	
Delaware	X				X		
Florida	X					X	
Georgia	X						X
Hawaii		X				X	
Idaho	X						X
Illinois	X					X	
Indiana	X						X
Iowa	X				X		
Kansas		X				X	
Kentucky	X					X	
Louisiana			X			X	
Maine	X				X		
Maryland	X					X	
Massachusetts	X <sup>1</sup>					X	
Michigan		X				X	
Minnesota				X	X		
Mississippi	X <sup>2</sup>					X	
Missouri	X					X	
Montana	X						X
Nebraska		X				X	
Nevada		X				X	
New Hampshire	X					X	
New Jersey	X				X		
New Mexico			X			X	
New York	X <sup>3</sup>					X	
North Carolina			X				X
North Dakota	X						X
Ohio			X			X	
Oklahoma	X						X
Oregon	X						X
Pennsylvania			X		X		
Rhode Island			X			X	
South Carolina	X <sup>4</sup>						X
South Dakota	X				X		
Tennessee	X				X		
Texas	X				X		
Utah		X				X	
Vermont	X					X	
Virginia	X				X		
Washington			X				X
West Virginia	X					X	
Wisconsin				X			X
Wyoming	X						X
	33	8	7	2	11	25	14

**School Board**

“Appointed” — Appointed by governor unless otherwise noted.

<sup>1</sup> Massachusetts – 7 members appointed by governor, student advisory council and higher education coordinating council appoint one member each.

<sup>2</sup> Mississippi – 5 members appointed by governor, lieutenant governor and speaker of house each appoint 2 members

<sup>3</sup> New York – appointed by state legislature

<sup>4</sup> South Carolina – state legislature appoints 16 members, one member appointed by governor

Source: Education Commission of States, *Models of State Education Governance*, <http://www.ecs.org/html/issue.asp?issueid=192>

Responsibility for Specific Functions

**Education Achievement Testing.** Among the states examined, the primary responsibility for devising and administering statewide assessment testing programs is almost universally housed within state departments of education. Michigan is the only state among those polled in which the primary responsibility for assessment program is located outside the education department (See **Table 2**).

Table 2 Responsibility for Education Achievement Testing by State Department	
<u>Performed Within Education Department</u>	<u>Performed by Separate Department</u>
AL, AZ, AR, CA, CO, FL, GA, HI, IN, IL, IA, KY, MD, MA, MS, MO, MN, NJ, NM, NY, NC, OH, OK, OR, PA, TN, TX, UT, VA, WA, WI	MI

**Data Reporting.** Practically every state education department is responsible for data collection regarding performance on standardized tests as well as for general school information, such as demographic breakdown of school districts, expenditures, and total enrollment (See **Table 3**). The reauthorization of the Elementary and Secondary Education Act, No Child Left Behind, requires that states and school districts provide annual report cards containing test scores

Table 3 Responsibility for Data Reporting by State Department	
<u>Performed Within Education Department</u>	<u>Performed by Separate Department</u>
AL, AZ, AR, CA, CO, FL, HI, IN, IL, IA, KY, MD MA, MS, MO, MN, NJ, NM, NY, NC, OH, OK, OR, PA, TN, TX, UT, VA, WA, WI	GA*, MI

\* GA – Data collected by education department, but reporting for public use is performed by the Office of Educational Accountability.

and academic progress. In addition, district report cards must report information specific to individual schools within each district. In Michigan, the Center for Educational Performance and Information (CEPI) has primary responsibility for data collection and reporting. In Georgia, data is collected by the education department and then reprocessed by an external office aligned with the Governor’s office called the Office of Educational Accountability (OEA). The OEA is responsible for producing the federally-required report cards in Georgia.

**Teacher Licensing/Certification.** In most of the states examined, the department of education is responsible for issuing teacher licenses. States where this function exists outside of the department of education rely upon independent commissions or boards, such as the Georgia Professional Standards Board, or Board of Educational Examiners in Iowa (See **Table 4**).

Table 4 Responsibility for Teacher Licensing/Certification by State Department	
<u>Performed Within Education Department</u>	<u>Performed by Separate Department or Commission</u>
AL, AZ, AR, CO, FL, HI, IL, MD, MA, MI, MS, MO, MN, NJ, NM, NY, NC, OH, OK*, PA, TN, TX, UT, VA, WA, WI	CA, GA, IN, KY, IA, OR

**General Education Development.** The General Education Development, or GED, certificate represents mastery of a level of education comparable to a high school diploma. This function resides mainly in state education departments, but states with separate departments for career or technical education tend to house the GED program in these departments (See **Table 5**). These states include Michigan, Kentucky and Tennessee. Georgia has a Department for Technical and Adult Education which oversees the GED program. In states where GED programs are neither in career development departments nor in education departments, this function is often aligned with the state department or board overseeing community colleges. Such states are Alabama, Arkansas, North Carolina, Oregon and Washington.

Table 5

**Responsibility for General Education Development (GED) by State Department**

<u>Performed Within Education Department</u>	<u>Performed by Separate Department</u>
AZ, CA, CO, FL, HI, IN, IL, IA, MD, MA, MN, MS, MO, NJ, NM, NY, OH, OK, PA, TX, UT, VA, WI	AL, AR, GA, KY, MI, NC, OR, TN, WA

**Universities.** Responsibility for 4-year universities generally rests within a department, board, or commission independent of the department of education (See **Table 6**). Only in the most centralized states, such as Florida and Pennsylvania, is the governance of universities found housed in the state’s department of education.

Table 6

**Responsibility for Universities by State Department**

<u>Performed Within Education Department</u>	<u>Performed by Separate Department</u>
FL, PA, NY	AL, AZ, AR, CA, CO, GA, HI, IN, IL, IA, KY, MD, MA, MS, MO, MN, NJ, NM, NC, OH, OK, OR, TN, TX, UT, VA, WA, WI

MI – Autonomous bodies without requirements to report to any state agencies.

**Community Colleges.** Oversight of community colleges generally falls into one of 3 categories (See **Table 7**). In more centralized systems, such as Pennsylvania and Florida, primary oversight of community colleges is contained within the state’s education department. In Iowa, community colleges are housed in the department of education, while university-level education is governed by a board separate from the department.

Table 7

**Responsibility for Community Colleges by State Department**

<u>Performed Within Education Department</u>	<u>Performed by Separate Department</u>
FL, IA, PA, NY	AL, AZ, AR, CA, CO, GA, HI, IN, IL, KY, MD, MA, MI, MS, MO, MN, NJ, NM, NC, OH, OK, OR, TN, TX, UT, VA, WA, WI

**Workforce Development.** Four other states have developed a separate department of workforce or career development (See **Table 8**). In these states, responsibility for workforce development as it pertains to education is located within that separate department and not in the education department.

Table 8

**Organization of Workforce Development Functions**

<u>Performed Within Education Department</u>	<u>Separate Department</u>
AL, AZ, AR, CA, CO, FL, GA, HI, IN, IL, IO, MD, MS, MO, MN, NJ, NM, NC, OH, PA, TX, UT, WA, WI	KY, MI, NY, TN, OK, OR, VA

**Technical Colleges.** Technical colleges, private and public, exist to some degree in practically every state. These are post-secondary level training facilities which may or may not share agreements with community colleges or universities to honor credits toward university degrees. While the vast majority of these technical colleges are governed by a state department other than education, Florida, Hawaii, Pennsylvania and Oregon house these functions in their education departments. In Hawaii, technical colleges are

accredited through the education department but are licensed through the department of commerce. In the states where they are housed in separate departments, they are frequently associated with community colleges or other institutes of higher education (See **Table 9**).

**Table 9**  
**Responsibility for Technical Colleges by State Department**

<u>Performed Within Education Department</u>	<u>Performed by Separate Department</u>
FL, HI, NY, PA, OR, VA	AL, AZ, AR, CA, CO, GA, IN, IL, IA, KY, MD, <b>MI</b> , MS, MO, MN, NJ, NM, NC, OH, TN, TX, UT, WA, WI

**Vocational Education Delivered at High School Level.**

Vocational education has been the focus of numerous federal grant programs aimed at increasing professional and career development beginning at the secondary level and often continuing into the post-secondary level through technical colleges, community colleges, or career centers. Specifically, the Carl D. Perkins Vocational and Technical Education Act, currently authorized through 2004, provides funds for career or technical education programs. The portion of these grant programs serving high school students is typically contained within a state’s department of education. One notable exception to this is Oklahoma, where technical or vocation education courses in comprehensive high schools are taught by separately-certified teachers from the Department of Career and Technical Education. In

**Table 10**  
**Responsibility for Vocational Education Delivered at High School Level by State Department**

<u>Performed Within Education Department</u>	<u>Performed by Separate Department</u>
AL, AZ, AR, CA, FL, GA, HI, IN, IL, IA, KY, MD, MA, MS, MO, MN, NJ, NM, NY, OH, OR, PA, TN, TX, UT, VA, WA, WI	CO, MI, NC, OK

Michigan, vocational education in high schools is coordinated by the Department of Career Development. In North Carolina, this function is carried out by the Office of Workforce Development, and in Colorado, it is administered by the Colorado Department of Community Colleges (See **Table 10**).

**State Libraries.** A small number of states house authority over state libraries within education departments (See **Table 11**). The majority of states examined had state libraries which were either housed in their own functional departments or commissions, or were aligned with a cultural office of some sort, such as in Michigan, where the state library is housed in the Department for History, Arts and Libraries.

**Table 11**  
**Responsibility for State Libraries by State Department**

<u>Performed Within Education Department</u>	<u>Performed by Separate Department</u>
CO, IA*, MD, NY, PA, WI	AL, AZ, AR, CA, FL, GA, HI, IN, IL, KY, <b>MI</b> , MS, MO, MN, NJ, NM, NC, OH, OK, OR, TN, TX, UT, VA, WA

\* IA – State library located in education department but independent governing board.

**Drivers’ Training.** Drivers’ training oversight is a function that is either run through state departments of education, through a state’s department of transportation, or the responsibility to provide driver education falls upon local districts (See **Table 12**).

**Table 12**  
**Responsibility for Oversight of Drivers’ Training by State Department**

<u>Performed Within Education Department</u>	<u>Outside Education Department</u>
AL, CA, FL, HI, IN, IL, <b>MI</b> , MS, NC, OK, PA, TN, TX, UT, VA, WI	AZ, AR, CO, GA, IA, KY, MD, OH, NJ, MN, NY, MO, NM, OR, WA

## Organizational Principles

Any change in the organization of state educational functions should at least create an opportunity for greater efficiency, greater accountability, or both.

### Efficiency

Efficiency is a condition in which input and output (or outcome) are related so that, at any level of input, output is maximized, and, at any level of output, input is minimized. Governmental program efficiency may be difficult to define and measure in practice and, in any event, is influenced by many factors other than organization. Probably the most that can be said about organization is that it can set the stage for efficient operation, but cannot guarantee it.

Certain organizational attributes have been identified as contributing to more efficient operation of governmental programs. First is *minimal overlap and duplication*. Staff functions, such as personnel, purchasing, and accounting, do not typically vary according to the line function they support. Consequently, they can be centralized instead of being replicated for each different activity. The frequency of this kind of replication in government is surprising, however.

Similarly, some technical functions require specialized skills not readily available or are performed infrequently enough that centralization is the only way such functions can be provided at reasonable cost. Although every department employs members of the state retirement system, for example, it would not make sense for every department of state government to have an actuary.

Efficiency requires a smooth flow of data and communications among organizational units. This is more likely to occur when all *programs and activities with the same goals and objectives are grouped together*. Ideally, in state government, interdepartmental communications should work as well as intradepartmental communications. As a practical matter, however, it seldom works that way and, if accurate, timely transmission of data and information among organizational entities is important, consolidation within a single department will normally increase the likelihood of better communication.

Intergovernmental communication (as between the state and local school districts) is also more likely to be consistent and less likely to be duplicative if it involves a single state department speaking with one voice.

### Accountability

Accountability exists when an official or entity can be held responsible for the performance of a governmental function. Responsibility, in turn, must be accompanied by the authority to manage the resources allocated to that function. Responsibility without authority does not result in accountability.

Accountability is enhanced when all of the organizational units with the same or similar programmatic objectives are responsible to the same authority. If more than one official or entity is responsible for a function, it is virtually certain that inconsistency and competition will result.

An essential element of accountability is information. Anything that fosters timely, accurate, relevant information concerning the activities, resource utilization, and program outcomes of the function in question will contribute to accountability. Data collection, collation, and distribution tend to be done in a more systematic and consistent way if it is done by one organizational entity, although single unit control of data can lead to selective disclosure, which can diminish accountability.

### Constitutional Context

Classic organizational theory calls for a single executive with broad appointment authority, undiluted by the existence of independent boards and commissions, in order to maximize accountability. This would imply appointment by the governor of all department heads with each head reporting to the governor.

In the main, the 1963 Michigan Constitution conforms to this model. It deviates from the model in three instances: 1) an elected Secretary of State; 2) an elected Attorney General; and 3) a Superintendent of Public Instruction appointed

by an elected Board of Education. (To an extent, it also deviates by providing for a Transportation Commission and a Civil Rights Commission, but both are appointed by, and report to, the Governor.)

With very minor exceptions, the Constitution does not spell out the powers and duties of the Secretary of State or Attorney General. By contrast, the State Board of Education does have “five specifically delineated, and therefore constitutionally inviolable functions:”<sup>4</sup>

These functions are (1) to exercise “leadership and general supervision over all public education, including adult education and instructional programs in state institutions, except as to institutions of higher education granting baccalaureate degrees,” (2) to serve “as the general planning and coordinating body for all public education, including higher education,” (3) to “advise the legislature as to the [financial] requirements in connection therewith,” (4) to appoint the superintendent, and (5) to determine the term of office of the superintendent.<sup>5</sup>

The Department of Education is granted constitutional status, but its powers and duties are to be provided by law.

The extent to which the first 3 of the 5 “inviolable functions” of the State Board have any real legal meaning is uncertain. Executive Orders 1996-11 and 1996-12 shifted a large number of statutory administrative and rule-making “powers, duties, functions, and responsibilities” from the State Board to the Department of Education in order to allow the State Board “to continue its esteemed and focused leadership, general supervision, planning, and coor-

inating for public education.” The transfers covered a wide range of functions such as suspension of the power of authorizing bodies to authorize public school academies; school district reorganization; regulation of pupil transportation; definition of the length of the school term for state aid purposes; issuance of administrative rules for special education; and community college boundary determination. The functions explicitly left to the Board by the orders included mainly research, guideline development, and annual reporting on various subjects.

In *Straus v. Governor* (1999), the Michigan Supreme Court found that the constitutional powers of the State Board had not been violated by the two executive orders. The Court held that the Governor’s powers of executive reorganization under Article V, Section 2, are “nearly plenary” and are “limited only by constitutional provisions that would limit the legislature itself.”<sup>6</sup> It also held that the State Board is not constitutionally required to head the Department of Education. As a result, the only unambiguous constitutional power of the State Board of Education is that of appointing the Superintendent of Public Instruction.

This power is, however, significant because existence of a department head, the Superintendent, with an appointment base independent of the Governor creates a potential – often realized – for conflicting policies and activities, with consequent friction among state agencies and discordant communications between state government and local school districts. Minimization of this potential should be a goal of any organizational change.

---

<sup>4</sup> Michigan Supreme Court, *Straus v. Governor* (1999)

<sup>5</sup> *Ibid.*

---

<sup>6</sup> *Ibid.*



## Organizational Options

In coming to decisions on the placement of affected organizational units and functions related to education, policy makers should take the following considerations into account:

- Locating education-related functions in the Department of Education improves accountability and efficiency by grouping like functions together where they can be more readily coordinated and where a single entity can be held responsible. At the same time, in the Michigan system, the more functions that are located in the Department of Education, the more that are removed from the direct control of the Governor, thereby increasing the opportunity for inconsistent policies and ambiguous accountability.
- The State Board of Education is an entity distinct from the Department of Education and the policies of the State Board are equally applicable to other state departments. Those policies may find a readier response in the Department of Education because of the appointive relationship between the Board and the Superintendent of Public Instruction, but they may nevertheless also apply to those agencies directly responsible to the Governor.
- Under the Michigan Constitution, education is a State responsibility and the State provides the bulk of funding of K-12 education in the form of school aid to local school districts, which actually carry out the educational programs. This implies a significant quality assurance function for the State consisting of both certification and evaluation.
- Although the term “education” can be construed very broadly to include virtually any activity connected with the acquisition of knowledge or skills, a useful distinction can be drawn between “education” and “training,” especially “job training,” by which is meant the acquisition of skills directed specifically toward achieving or improving employability. One practical reason for making this distinction is that the content of educational activities directed toward employment is influenced greatly by employers and labor, who want individuals with skills directly relevant to their needs.  
  
Given this distinction, education would include functions concerned with pre-school education; elementary-secondary education; adult education, to the extent that it involves completion of elementary-secondary education, or is not specifically related to employment; community colleges; and universities. These functions would properly be in the sphere of the State Board of Education and the Department of Education. Training functions would be in another sphere, currently the Department of Career Development.
- Management of state debt and local fiscal oversight are properly functions of the Department of Treasury, which has significant capacity in those areas.
- In nearly any imaginable configuration, some programs with non-educational goals (e. g., health) will be delivered in schools and some programs with educational goals will be delivered outside of schools. Similarly, the State of Michigan will have functions that are not oriented toward education, but which have an impact on educational policies and programs. This implies the need for a coordinating function.

## Reorganization Recommendations

In reaching recommendations on organizational placements in these areas, the Citizens Research Council came to the following conclusions:

- 1) *Evaluation and oversight.* Coherent state policy in this function calls for a close relationship between certification/accreditation and evaluation. With the advent of the federal No Child Left Behind program, this function will be a focal point for state response to federal mandates.
- 2) *Student financial assistance.* Student financial assistance is more a question of assuring that aid reaches the appropriate recipients than it is an educational issue.
- 3) *School bond loan fund.* The Department of Treasury has expertise in the management of state debt and, while a consultative role for the Department of Education

exists, the fund is more appropriately managed in the Department of Treasury.

- 4) *Career Development.* No bright line exists between many career development activities and education. Nevertheless, the purposes and constituencies of career development can be distinguished sufficiently well to justify an organizational separation.
- 5) *Disability Determination.* No discernable educational mission exists with respect to disability determination.
- 6) *State Board of Education.* A distinction exists between the role of the State Board of Education and operating state departments, including the Department of Education. Administrative functions are best left to the departments, with the State Board left to provide policy guidance.

## Transfer Specific Offices and Programs

### Office of Standards, Assessment, and Accreditation Services

Several functions located throughout state government are designed to promote curricular goals and provide assurances of quality education. Some functions are designed to license, certify, or accredit professionals and educational programs – to measure the inputs to the educational system. Other functions are designed to evaluate educational programs – to measure education based on the outputs of the system. Still other functions are designed to provide curriculum leadership for teachers in educating students on those subjects on which they will be tested. The location of these quality assurance and support functions throughout state government, at times isolated from similar functions, creates the threat of ambiguous educational goals and expectations for those at the local school district that are providing the education and being measured.

Clearly stated educational goals, and the ability to meet those goals, will become increasingly important in coming years. Implementation of the No Child Left Behind (NCLB) federal education reforms will entail state level requirements for accreditation, testing, data reporting, and other quality assurance measures in which Michigan is presently engaged. By tying federal funds to these activities, NCLB raises the stakes for individual schools and school districts.

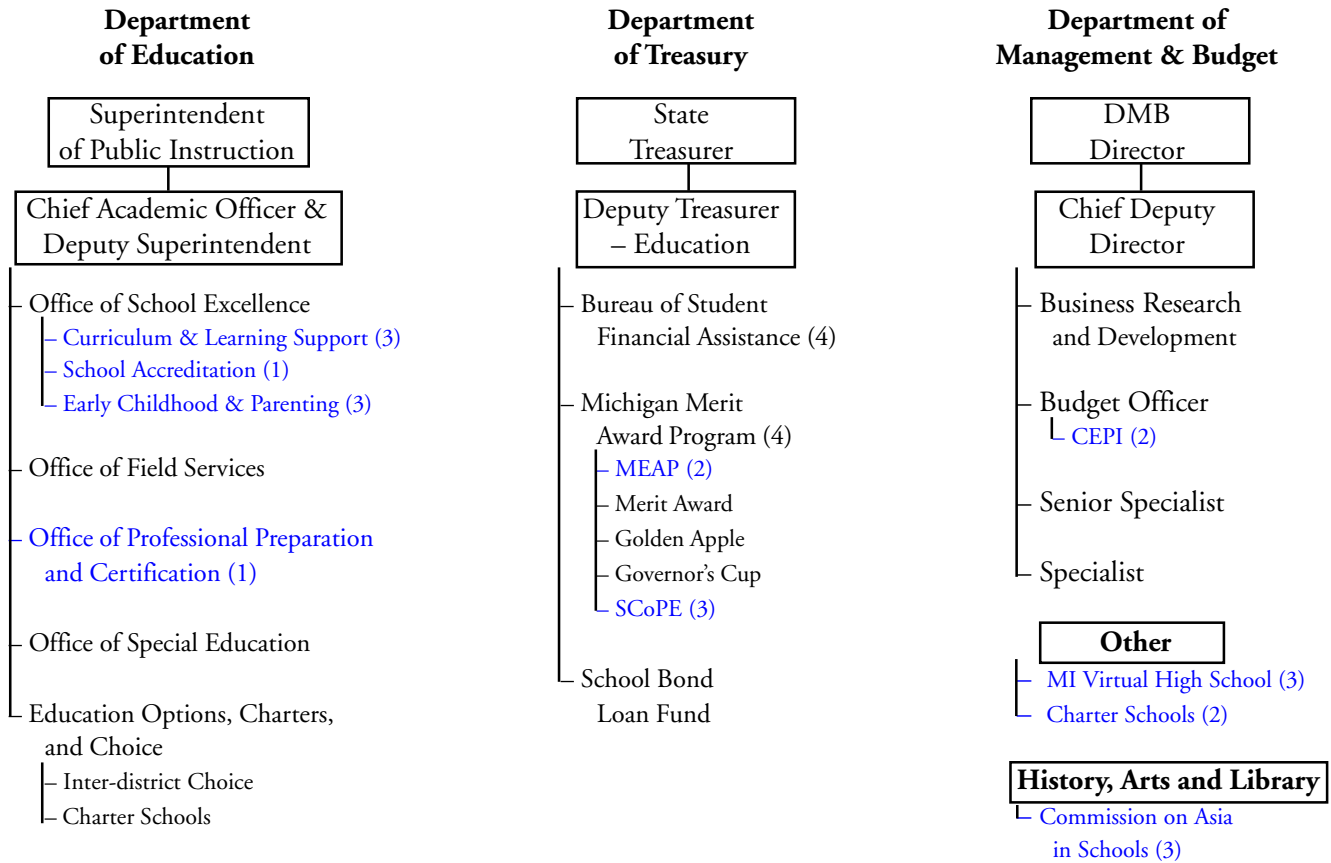
It is recommended that several functions be transferred back to the Department of Education to reconstitute the **Office of Standards, Assessment and Accreditation Services**, which existed as an office in the Department of Education until broken up by the Executive Orders of 1999 and 2000. Building on the Office of School Excellence that currently provides curriculum support, this new Office will serve 3 roles, all of which are inter-related. A strong rationale for combining these 3 roles into a single office is that the data from evaluation can help shape certification and consulting. Putting these functions together is intended to facilitate information flow – among divisions and between the state and local school districts.

**Certification** – First, a certification unit should be established. The role of this unit would be to perform tasks related to assuring quality on the schools, teachers, and other inputs to the education system. Staff and responsibilities for this unit would be drawn from the **School Accreditation** division presently in the Office of School Excellence and the **Office of Professional Preparation and Certification**. (See items noted with (1) in **Chart 1** on page 27.)

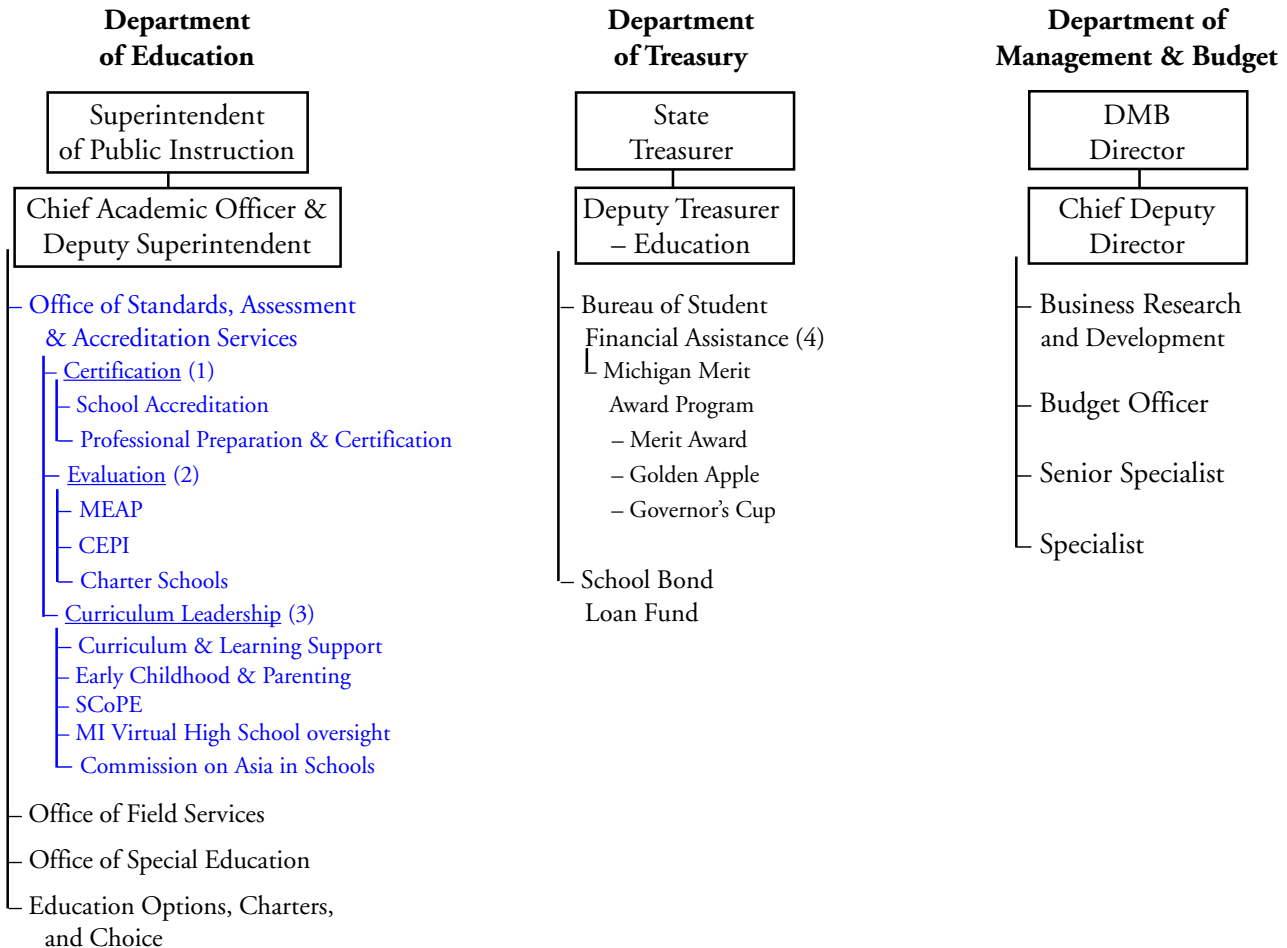
**Evaluation** – Second, an evaluation unit should be assembled. The role of this unit would be to provide educational assessments through testing, data reporting, and general oversight. Establishing the staff and responsibilities for this unit would require transferring the school evaluation services provided by the **Center for Educational Perfor-**

## Chart 1

### Current Organization



### Recommended Organization



**mance and Information (CEPI)**, presently located in the Department of Management and Budget, into the Department of Education. It also would require transferring into the Department of Education the **Michigan Educational Assessment Program (MEAP)** test, presently located in the Department of Treasury. The Department of Education should also be given statutory authority to evaluate and provide oversight for **charter schools**. (See items noted with (2) in **Chart 1** on page 27.)

**Curriculum Leadership** – The third piece of this office provides the state curriculum leadership and support needed for local school districts to succeed in certification and evaluation. The role of this unit would be to serve much the same role currently provided by the Office of School Excellence: **Curriculum (K-12) and Learning Support, Early Childhood and Parenting Programs**. The major difference would be that Michigan Yes!, the school accreditation program, should be part of the certification unit. This unit should also assume responsibility for operation of the **SCoPE** website initiated by the Department of Treasury and should support and provide oversight for the **Michigan Virtual High School**, both of which are aimed at providing curriculum support for teachers. (See items noted with (3) in **Chart 1** on page 27.)

Much of education policy since the mid-1980s has been driven by the need to assure quality education. Evaluation and oversight have become key state functions made even more significant by the shift toward state funding of K-12 education brought about by Proposal A of 1994. Coordination between certification/accreditation and evaluation is essential to successful quality assurance.

### Merit Award Program

MEAP and the Merit Award Program need to be coordinated, but it is not necessary to house the 2 programs in the same offices. Administration of MEAP tests requires staff with educational development, test development, and other skill sets conducive to measuring the educational progress of children. Administration of the Merit program, on the other hand, requires accounting skills. Numerous state programs range across more than one department in their administration. So should be the case for MEAP and Merit, with administration of the **MEAP** test moved to the Department of Education as suggested above, and the **Merit Award Program** combined with the **Bureau of Student Financial Assistance** in the Department of Treasury. (See items noted with (4) in **Chart 1** on page 27.)

### Adult, Career and Technical Education

The Adult Education and Career and Technical Preparation programs were part of the Department of Education until Executive Order 1999-12. With creation of the Department of Career Development these programs, along with post-secondary programs, were placed with other state government functions aimed at improving job skills and helping to move people into the workforce.

Adult education programs have classes aimed at providing workforce skills, but their primary role is providing the remedial, K-12 skills that otherwise would have been gained in advancement through the K-12 system. Adult education programs are designed to educate individuals to high school proficiency, as reflected in a general education development (G.E.D.) test.

Similarly, Career and Technical Preparation is primarily concerned with educating students in the K-12 system. While community colleges receive a portion of the funding for these programs, the majority of the programs are offered at the local school district level.

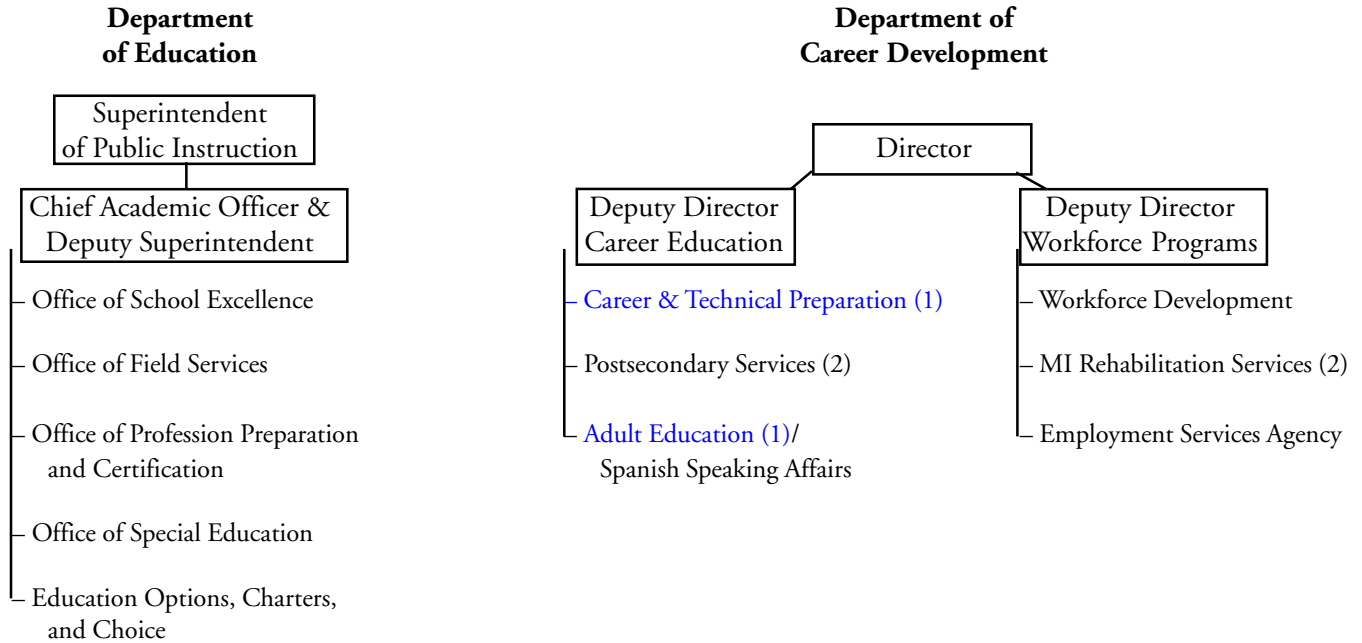
It is recommended that both the **Adult Education\*** program and the **Career and Technical Education** program be transferred to the Department of Education. Such a reorganization will provide opportunities for the improvement of efficiencies, at both the state and local levels. This improvement could come from elimination of duplication in paperwork, certification, testing, and other areas of redundancy. While these programs fit well into either the Department of Education or the Department of Career Development, the gains of permitting greater coordination with other K-12 curriculum and support programs outweigh the benefits these programs receive from coordination with employment service programs. These programs should constitute an **Office of Adult, Career and Technical Education** under the supervision of the Chief Academic Officer. (See items noted with (1) in **Chart 2** on page 29.)

---

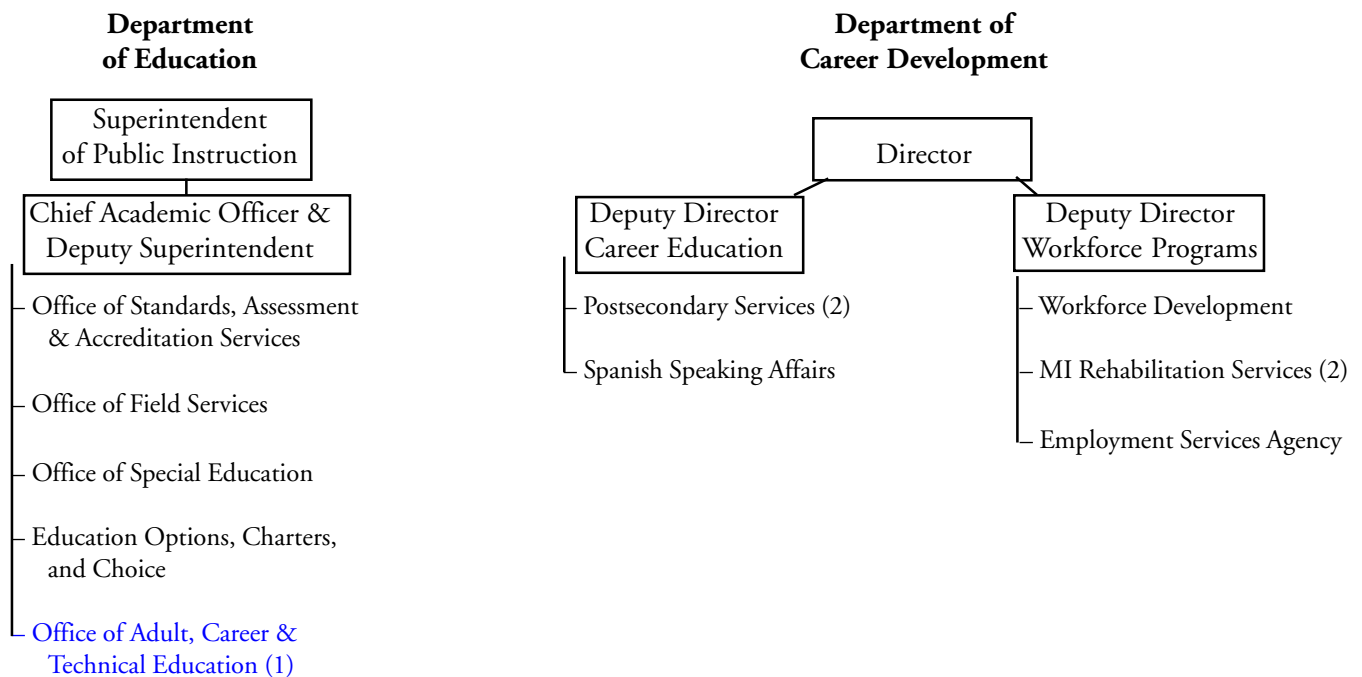
\* Regardless of the organizational location of Adult Education, accountability and efficiency in the use of state aid funds are likely to remain an issue, as they were in the Department of Career Development and in the Department of Education before being transferred out in 1999. These programs will require special attention from staff engaged in accreditation and assessment in an Office of Standards, Assessment, and Accreditation.

Chart 2

Current Organization



Recommended Organization



The transfer of the Adult Education and Career and Technical Education programs from the Department of Education to the Department of Career Development caused a change in focus for these programs. When the Department of Education was responsible for their oversight, a mainstream education and high school diploma were the utmost priority. When they were transferred to the Department of Career Development, the focus shifted to providing job skills and entry to the workforce. The recommended transfer to the Department of Education should not imply discounting the emphasis placed by the Department of Career Development. To promote balance between the two approaches, it is recommended that the governor be given the authority to appoint a liaison, housed in the Department of Career Development, to coordinate the interests of the departments of Education and Career Development on matters of adult education and career and technical education.

### Post-Secondary Services

It is the intention of the above recommendation to separate the Adult Education and Career and Technical Education programs from the other workforce development/job training programs housed in the Department of Career Development.

Much educational programming has a career preparation aspect to it. To the extent that preparation for employment requires a certain level of academic skills, those skills, regardless of the reasons for their acquisition, might be viewed as contributing toward readiness for employment. The Adult Education and Career and Technical Education functions discussed above, while possessing career development aspects, are primarily academic and, for this reason the recommendation to place them in the Department of Education was made.

Post-secondary education, on the other hand, has career development as its main focus and, in order to assure that this focus is maintained, it should be retained in the Department of Career Development or its successor agency. This would also recognize the distinct roles and constituencies of these programs. Many of these functions are certification programs, through which the state attempts to assure potential students and future employers that the education provided by the different institutions is as advertised. Furthermore, although all employers are interested in hiring staff with reading, writing, computation, and other skills

related to a K-12 education, the interest of the business community in these post-secondary programs relates specifically to the skills and training offered.

It is recommended that post-secondary services related to **Community College Services, Proprietary Services, Educational Corporations, Michigan Rehabilitation Services,** and the **Michigan Career and Technical Institute** remain with other functions currently located in the **Department of Career Development.** (See items noted with (2) in **Chart 2** on page 29.)

### School Finance

The School Finance division of the Office of School Aid and School Finance in the Department of Education could be classified as an evaluation function in the education system. A major role of this office is oversight of school district finances and support of those districts in financial distress. However, rather than place this function in the Office of Standards, Assessment and Accreditation, the financial and accounting nature of this function warrants different treatment – transfer to the Bureau of Local Government in the Department of Treasury.

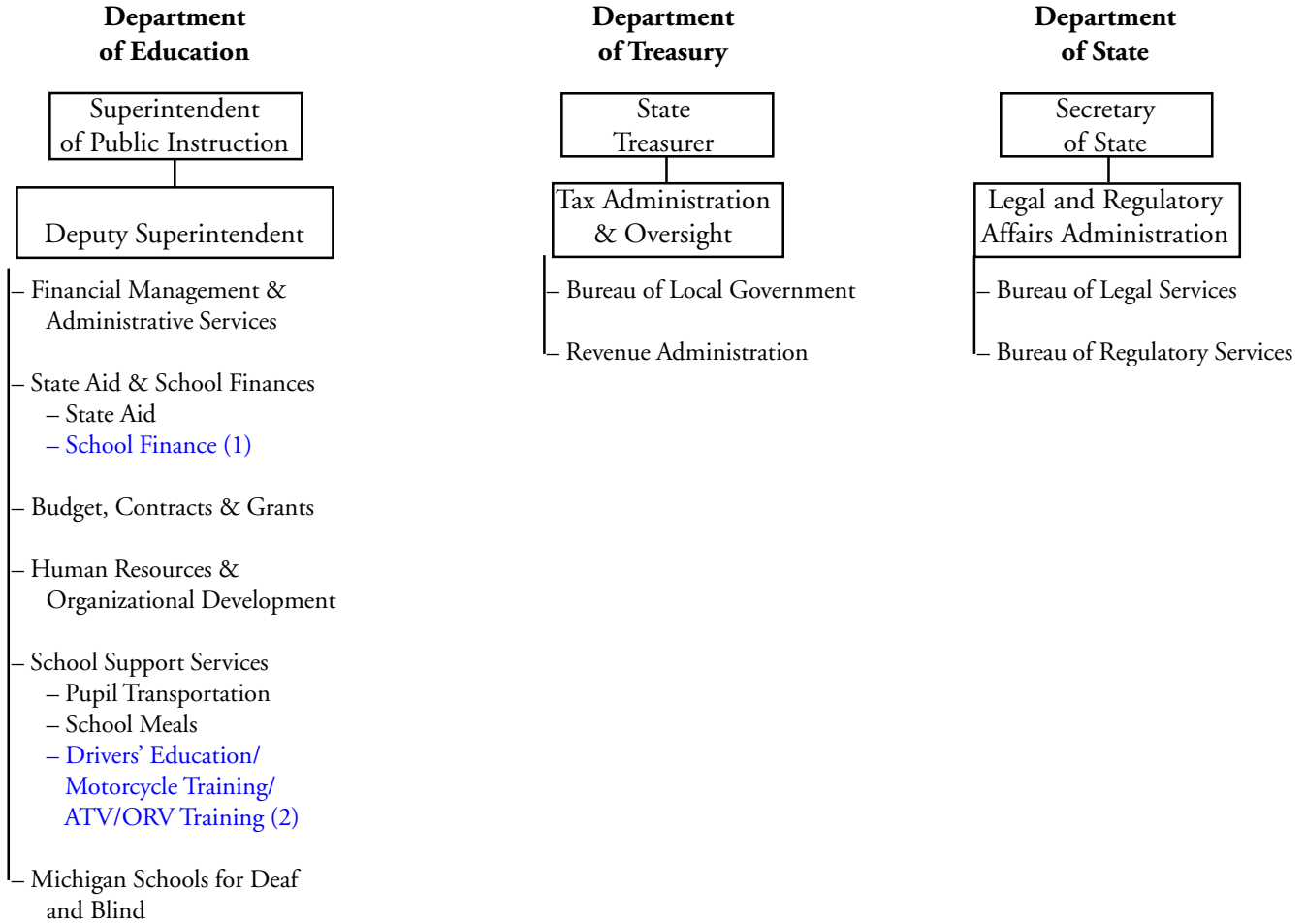
The Department of Treasury, Bureau of Local Government serves for non-public-school local governments a role that parallels the role served by the School Finance Unit for public schools. The Bureau of Local Government administers the Revised Municipal Finance Act, provides accounting guidance, and administers the Local Government Fiscal Distress Act.

While the legal status of school districts – local school districts and intermediate school districts – and municipal governments – counties, cities, villages, townships, and special authorities – may differ in details, they are all entities of the state. The financial well-being of each of these units is important to the residents of the individual units, other units or government, and to the state as a whole.

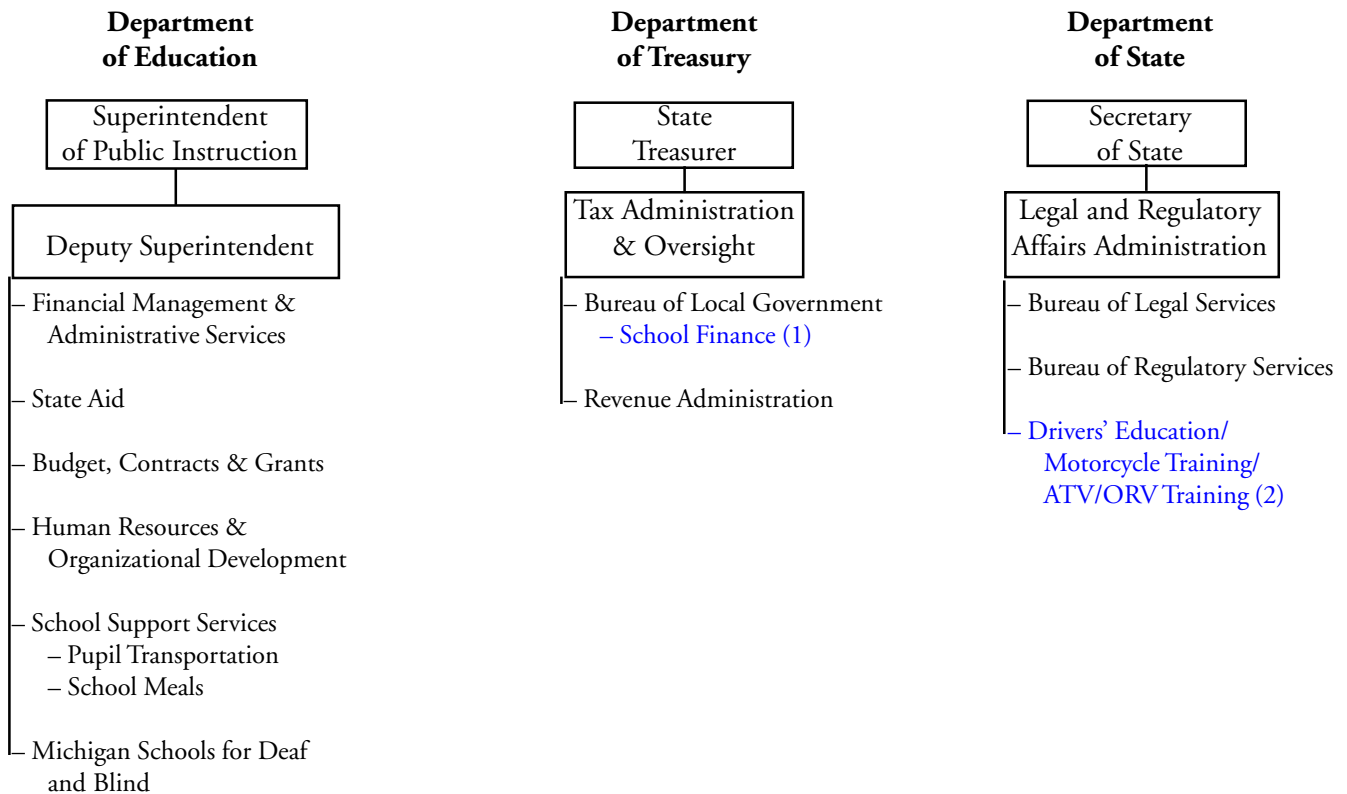
It is recommended that the **School Finance** function be separated from School Aid functions and be moved to the **Department of Treasury, Bureau of Local Government.** (See items noted with (1) in **Chart 3** on page 31.) It would be essential that this function remain closely coordinated with the school aid functions with which it is currently paired. However, because of the commonality in providing evaluation and oversight, coordinating the school finance

**Chart 3**

**Current Organization**



**Recommended Organization**



function with the oversight of other types of local government would better enable the state to:

- Speak to local units of government with a single voice on matters of accounting and conformity with GASB standards;
- Address issues local government fiscal distress;
- Assure bond issuance eligibility; and,
- Deal with other issues of finance and tax policy.

### Drivers' Education and Motorcycle/ATV/ORV Training Programs

Drivers' education and the motorcycle/all-terrain-vehicle/off-road-vehicle training programs are housed in the Office of School Support Services, with staff of 2.5 full time equivalent (FTEs) administering both programs. The other functions housed in the Office of School Support Services – pupil transportation and the school meals unit – are integral to the operation of schools. The only things these vehicle training programs have in common with the core educational functions are the facilities used for the provision of

many drivers' education programs – public high schools.

The Drivers' Education and Motorcycle/All-Terrain-Vehicle/Off-Road-Vehicle Training programs are out of place in the Department of Education. The major role of these functions is distributing state funds to local providers, a role that could be filled by any of several departments. Many states that have organized state oversight of drivers' education outside of their departments of education locate this function in their department of motor vehicles or state department. In Michigan, the Department of State is responsible for administering tests for drivers' licenses and for collecting the fees for licenses. It also is responsible for licensing and regulation of non-public providers of these education programs. It is recommended that the **Drivers' Education** and **Motorcycle/All-Terrain-Vehicle/Off-Road-Vehicle Training** programs be located in the **Department of State, Legal and Regulatory Affairs Administration**, with a primary focus on oversight of providers, both public and private, and distribution of funds to those providers. (See items noted with (2) in Chart 3 on page 31.)

### Conclusion

The organizational structures, whether changed or unchanged, proposed in this analysis are aimed at 1) concentrating pre-school and elementary-secondary education functions in the Department of Education and 2) bringing greater emphasis to the role of quality assurance. The new structure would also reduce the number of state agencies with a role in K-12 education, and position the Department of Education as the agency for responding to the requirements of No Child Left Behind (NCLB).

The Department of Education's focus on K-12 education would be strengthened through the creation of an Office of Standards, Assessment and Accreditation. This Office should serve 3 interrelated roles. First, measurement of the inputs to the system. The teacher certification and school accreditation elements of this role are already within the Department of Education. Second, measurement of the education outputs. The ability to carry out this role requires transferring MEAP and CEPI to the Department of Education. It also depends on statutory authorization to oversee charter schools. Finally, the curriculum leadership role should support the schools and equip them to succeed in the input and output measures. With accountability and testing at the core of NCLB, the creation of an Office of Standards, Assessment and Accreditation positions the De-

partment of Education to administer these programs and support local school districts.

Transferring adult and career and technical education to the Department of Education further focuses the department's mission on K-12 education. These functions relate more closely to the educational role of the department than the economic development role of the current Department of Career Development or its successor.

Separating school finance from school aid and transferring that function to the Department of Treasury allows the state to deal uniformly with all types of local governments on financial matters. Similarly, transferring the drivers' education functions to the Department of State unites education and testing for drivers' licenses and collection and distribution of fees in a single department, while keeping the Department of Education focused on K-12 education.

Local school districts would no longer have contact with the departments of Career Development, Management and Budget, or Treasury on matters of curriculum development, data reporting, or achievement testing. The Department of Education budget would grow by roughly \$40 million (before budget reductions) and budgeted staff would in-



crease by roughly 63 FTEs (+ CEPI).

The recommendations leave in their present departments several functions previously performed by the Department of Education. These include:

- Merit Award, School Bond Loan Fund, Student Financial Assistance, Higher Education Facility Authority in the Department of Treasury;
- Postsecondary Services and Rehabilitation Services currently in the Department of Career Development;
- Disability Determination Services and Funding for Court Place Children in the Family Independence Agency;

- School Employees' Retirement System in the Department of Management and Budget; and,
- Library of Michigan in the Department of History, Arts and Library.

It is likely that the structure proposed here would have been different if the 1963 Michigan Constitution did not require appointment of the Superintendent of Public Instruction by an independently elected State Board of Education. Accountability is enhanced when department heads report directly to the Governor. It is hoped, however, that within the limits imposed by Article VIII, Section 3, the proposed structure will provide policy makers and citizens alike a workable context within which to make and administer education policy.