



**Site Governance and
Decision-Making
Grant Program**

January 2007

**FY 2006
Report
To the
Legislature**

**As required by
Minn. Stat. §
123B.04**

COMMISSIONER:
Alice Seagren

**Site
Governance
and Decision-
Making Grant
Program**

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January 2007

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**FY 2006
Report
To the
Legislature**

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**As required by
Minn. Stat. §
123B.04**

Upon request, this report can be made available in alternative formats.

**FY 2006 LEGISLATIVE REPORT
ON
Site Governance and Decision-Making Grant Program**

Estimated Cost of Preparing This Report

This report provides information that is maintained and published as Minnesota Rules by the Office of Revisor of Statutes as a part of its normal business functions. Therefore, the cost information reported below does not include the cost of gathering the data but rather is limited to the estimated cost of actually analyzing the data, determining recommendations and preparing the report document.

Special funding was not appropriated for the costs of preparing this report.

The estimated cost incurred by the Minnesota Department of Education in preparing this report is \$707.

Site Governance and Decision-Making Grant Program

The 2006 Report has been prepared as required by Minnesota Statutes, 123B.04. Subdivision 2 includes: directives to the commissioner to establish site decision-making grant program guidelines related to establishing a school site decision-making team and addresses the optional and required components in school site decision-making agreements with the local school board. This report describes the process the Minnesota Department of Education (MDE) has established to carry forward the Site Decision-Making Program Grants. Information is provided on grant(s) awarded from funding appropriated in 2005 K-12 Bill Appropriation Subdivision 20.

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(MDE web site maintains electronic version of full report)

EXECUTIVE SUMMARY

Site Governance and Decision-Making Grant Program 2006 Legislative Report

The 2006 Site Governance and Decision-Making Grant Program Report to the Legislature provides information regarding the application (see Appendix A) and review process (see Appendix B) established by the Minnesota Department of Education to award grants directed toward implementing agreements between sites and school boards that at least (1) allocate to the site revenue attributable to the students at that site; (2) allows the site team to select and assign staff; and (3) includes a performance agreement (achievement contract) approved by the school board. Charter schools are not included in this report as their guidelines are not included under Minnesota Statute 123B.04.

Minnesota Statute 123B.04 established a one-time appropriation of \$250,000 for the fiscal years 2005 - 2007 available for planning and implementation grants to five school sites and school boards that have reached preliminary board approval or entered into school site decision-making agreements. As of January 1, 2007, three applications have been processed. RTR Middle School from the Russell School District # 418 application was approved by the review panel using review guidelines and awarded a \$50,000 grant by the Minnesota Department of Education (MDE). Any balance in the first year did not cancel but was available in the subsequent year. The review panel did not approve the other two applications due to the absence of required components.

MDE also received additional inquiries regarding the site decision-making program grants from districts that expressed an interest but indicated they needed to get contract language finalized before proceeding with an application. No additional applications were forthcoming.

PART I Site Governance and Decision-Making Grant Program

Directed by the 2005 Omnibus Education Bill Language: Minnesota Statute 123B.04, the Minnesota Department of Education (MDE) established an application and review process to award site decision-making program grants to fund sites to implement an agreement with the school board that at least: (1) allocates to the site revenue attributable to the students at that site; (2) allows the site team to select and assign staff; and (3) includes a performance agreement (achievement contract) approved by the school board.

- A total of \$250,000 is available with \$50,000 allocated to each of five school sites. Any balance in the first year, 2006 is available the second year, 2007.
- Recipients will evidence preliminary board approval or a formal school site decision-making agreement under M.S., section 123B.04.
- Grant recipients will submit an annual end of fiscal year report to the Minnesota Department of Education by July 15, 2007.

A memorandum announcing the grant program was sent to Superintendents, Directors, Principals, and Site Teams from Commissioner Alice Seagren, Commissioner on September 29, 2005. At that time the application (see Appendix A) was posted and continues to be available on the MDE Web site at http://www.education.state.mn.us/mde/Academic_Excellence/index.html

A noncompetitive process was established that directs applications be reviewed in the order they are stamped as being received by the Minnesota Department of Education. The review process is conducted by a panel representing the Minnesota School Board Association (MSBA), the Minnesota Rural Education Association (MREA), and Minnesota Department of Education (MDE). Each reviewer independently examines the application using a review form (see Appendix B) that identifies the required components including:

- Signature page with signature of school board and officially designated site-team leader
- Site Team Information with name and position
- Grant Proposal including timelines, planning and implementation activities, and process for evaluating grant's impact on the site decision-making agreement.
- Proposed Budget for the Grant Form
- Copy of school site decision-making agreement that has reached preliminary board approval or has been entered into under MN Statutes, section 123B.04. The agreement must at least: (1) allocate to the site revenue attributable to the students at that site; (2) allow the site team to select and assign staff; and (3) include a performance agreement (achievement contract) approved by the school board.

Part II

Site Decision-Making Grant Program Expenditures Report

The 2005 K-12 Bill appropriations Subdivision 20 appropriated \$250,000 for 2006 for Site Decision-Making Program Grants for planning and implementation grants to five school sites and school boards that have reached preliminary board approval or entered into school site decision-making agreements under Minnesota Statutes, section 123B.04. Any balance in the first year does not cancel but is available in the second year. This is a onetime appropriation.

A noncompetitive process for disseminating five \$50,000 grants was established that directs applications be reviewed in the order they are stamped as being received by the Minnesota Department of Education. As of January 1, 2007 the review panel using review guidelines (see Appendix B) approved the application received from the RTR Middle School in the Russell School District # 418. As a recipient of a \$50,000 Site Decision-Making Program Grant, the RTR Middle School will submit reports.

Part III

Site Decision-Making Grant Program Grantee Report

As a recipient of a \$50,000 Site Decision-Making Program Grant, the RTR Middle School submitted a mid-term report July 13, 2006. Site Decision-Making Program has influenced the following staff actions: (a) interviewing and recommending the hiring of teachers assigned to the middle school; (b) shaping the curriculum and developing pre and post assessments; (c) determining scheduling and resolving discipline issues; (d) guiding purchasing resources including textbooks and (e) coordinating staff development activities. The administration and school board report a higher level of ownership by the staff and a positive effect for the administration, staff, and students.



APPENDIX A

MEMORANDUM

TO: Superintendents, Directors, Principals, and Site Teams

FROM: Alice Seagren, Commissioner

DATE: September 29, 2005

SUBJECT: Application for 2005-2007 Site Decision-Making Program Grants
Funding is intended for planning and implementation grants to five school sites and school boards that have reached preliminary board approval or entered into school site decision-making agreements under Minnesota Statutes, section 123B.04.

2005 Omnibus Education Bill Language: Minnesota Statute 123B.04 authorized site decision-making program grants to fund sites to implement an agreement with the school board that at least: (1) allocates to the site revenue attributable to the students at that site; (2) allows the site team to select and assign staff; and (3) includes a performance agreement (achievement contract, approved by the school board).

- A total of \$250,000 is available with \$50,000 allocated to each of five school sites. Any balance in the first year, 2006 is available the second year, 2007.
- Recipients will evidence preliminary board approval or a formal school site decision-making agreement under M.S., section 123B.04 (See attachment with underlined sections new to the law.)
- Grant recipients will submit an annual end of fiscal year report by July 15.

The noncompetitive applications will be reviewed in the order they are stamped as being received by the Minnesota Department of Education. Applications will be reviewed and acceptance for funding will be determined based on the following required components:

- Signature page
- Site Team Information
- Grant Proposal including projected startup date*
- Proposed Budget for the Grant Form (see attachment)
- Copy of school site decision-making agreement which addresses the required components.

Applicants will receive notification of their applications status following the review. *Processing an approved grant may take 6 to 8 weeks and expenditures cannot begin until a completed grant contract is executed between the school district and the Minnesota Department of Education.

Submit an original and one copy of the application to:

Connie Anderson, MDE, 1500 Hwy. 36 W, Roseville, MN 55113-4266

Questions contact: Connie J. Anderson, Site Decision-Making Program Grant Coordinator
651-582-8750 connie.j.anderson@state.mn.us

Application form is on the MDE Website at http://www.education.state.mn.us/mde/Academic_Excellence/index.html

**SIGNATURE PAGE
2005-2007 APPLICATION
SITE DECISION-MAKING PROGRAM GRANT**

District Name & Number _____ # _____

Authorized Grantee Representative _____

MN Tax ID # _____ Federal Employer # _____

Address _____

_____ Zip Code _____

Phone _____ FAX _____ E-mail _____

Name of school site _____

Name and title of school site leadership _____

Address _____

_____ Zip Code _____

Phone _____ FAX _____ E-mail _____

Required Signatures: The following hereby endorse this application, including all required assurances.

Signature of Representative of the local school board Date _____

Signature of Site Leadership (principal, teacher, or person officially designated site-team leader) Date _____

Acknowledgement signatures: The following have reviewed the application.

Signature of Superintendent Date _____

Signature of Representative of the exclusive representative of teachers Date _____

Submit an ***original and one*** copy of each application to:
Connie J. Anderson, Best Practices Grant Coordinator 1500 Hwy. 36 W. Roseville, MN 55113-4266
Phone: 651/582-8750 E-mail: connie.j.anderson@state.mn.us

Site Team Information

A school site decision-making team may include the school principal, teachers in the school or their designee, other employees in the school, representatives of pupils in the school or other members in the community. A school site decision-making team must include at least one parent of a pupil in the school.

For purposes of formation of a new site, a school site decision-making team may be a team of teachers that is recognized by the board as a site. The school site decision-making team shall include the school principal or other person having general control and supervision of the school.

The site decision-making team must reflect the diversity of the education site. At least one-half of the members shall be employees of the district, unless an employee is the parent of a student enrolled in the school site, in which case the employee may elect to serve as a parent member of the site team.

Please check the appropriate descriptor for your process.

_____ Upon the request of 60 percent of the licensed employees, the school board entered into discussions regarding a site decision-making agreement.

_____ Upon the request of a school site decision-making team, the school board entered into discussions regarding a site decision-making agreement.

Please provide the names and position/role (who they represent) of the school site team.

Name

Position

(May continue on back.)

Site Decision-Making Program Grants

Applications will be reviewed and acceptance for funding will be based on the following components:

- ___ 1. Signature page
Signatures required of a school board representative and the officially designated site-team leader.
 - ___ 2. Site Team Information
 - ___ 3. Grant Proposal
Provide a two to three page narrative regarding start-up date, planning and implementation activities and a process for evaluating grant's impact on the site decision-making agreement. (Processing an approved grant may take 6 to 8 weeks and expenditures cannot begin until a completed grant contract is executed between the school district and the Minnesota Department of Education.)
 - ___ 4. Proposed Grant Budget Form (see attachment)
Any balance in the first year, 2006 is available the second year, 2007.
 - ___ 5. Copy of the Site Decision-Making Agreement
The school site and school board school site decision-making agreement that have reached preliminary board approval or have been entered into under Minnesota Statutes, section 123B.04. (For required and optional agreement components see attached M.S. Sec. 123B.04.)
- ___ **Assurances:** To be eligible for a grant, the agreement includes:
- (1) notwithstanding subdivision 3, allocates to the site all revenue that is attributable to the students at that site;

Subd. 3. Revenue and cost allocation. Revenue for a fiscal year received or receivable by the district shall be allocated to education sites based on the agreement between the school board and the site decision-making team. Revenue shall remain allocated to each site until used by the site. The site teams and the board may enter an agreement that permits the district to provide services and retain the revenue required to pay for the services provided. The district remains responsible for legally entering into contracts and expending funds. For the purposes of this subdivision, "allocation" means that the determination of the use of the revenue shall be under the control of the site. The district may charge the accounts of each site the actual costs of goods and services from the general or capital funds attributable to the site.

- (2) A provision, consistent with current law and the collective bargaining agreement in effect, allows the site team to decide who is selected from within the district for licensed and non-licensed positions at the site and to make staff assignments in the site; and
- (3) Includes completed performance agreement (achievement contract) see subdivision 4

When applying for the grant, the "may" below becomes a requirement.

Subd. 4. Achievement contract. A school board may enter a written education site achievement contract with each site decision-making team for the purpose of setting learning performance expectations for that site, including:

- the goals for improvement in each area of student performance during the next year,
- a plan to assist the education site if their goals are not achieved, and
- other performance expectations and measures determined by the board and the site decision-making team.

- (4) Grant recipients will submit an annual end of fiscal year report by July 15.

APPENDIX B

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Review Process

2005 - 2007 Site Decision-Making Program Grants

Applications are forwarded for review in the order they are received.

Name of school site: _____

MDE staff will check the application for the qualifying components marked with an X:

X Signature page with signature of school board representative and officially designated site-team leader

X Site Team Information

Reviewer will examine the legislation that provides site decision-making language and Check the application for the following required components.

Mark the blank with a + if the component is present and a – if the component missing.

Please comment on any category that does rate a +.

_____ Grant Proposal is a two-to-three page narrative that provides:

- start-up date,
- planning and implementation activities, and
- process for evaluating grant's impact on the site decision-making agreement.

Comments:

_____ Proposed Budget Form expenditures for the \$50,000 allotted.

- 2005-2006 funding maybe carried over into 2006-2007
- No match is required

Comments:

_____ Copy of the Site Decision-making Agreement

The school site and school board school site decision-making agreement that has reached board approval or has been entered into under MN Statutes, section 123B.04.

preliminary

Required and optional agreement components are provided on copy of M.S. Sec. 123B.04.)

Comments:

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Check for the following Assurances: To be eligible for a grant, the agreement includes:

_____ (1) notwithstanding subdivision 3, allocates to the site all revenue that is attributable to the students at that site;

Subd. 3. Revenue and cost allocation. Revenue for a fiscal year received or receivable by the district shall be allocated to education sites based on the agreement between the school board and the site decision-making team. Revenue shall remain allocated to each site until used by the site. The site teams and the board may enter an agreement that permits the district to provide services and retain the revenue required to pay for the services provided. The district remains responsible for legally entering into contracts and expending funds. For the purposes of this subdivision, "allocation" means that the determination of the use of the revenue shall be under the control of the site. The district may charge the accounts of each site the actual costs of goods and services from the general or capital funds attributable to the site.

Comments:

_____ (2) a provision, consistent with current law and the collective bargaining agreement in effect, allows the site team to decide who is selected from within the district for licensed and non-licensed positions at the site and to make staff assignments in the site; and

Comments:

_____ (3) includes completed performance agreement (achievement contract) see subdivision 4.

When applying for the grant, the “may” below becomes a requirement.
Subd. 4. Achievement contract. A school board may enter a written education site achievement contract with each site decision-making team for the purpose of setting learning performance expectations for that site, including:

- the goals for improvement in each area of student performance during the next year,
- a plan to assist the education site if their goals are not achieved, and
- other performance expectations and measures determined by the board and the site decision-making team.

Comments:

 X (4) Grant recipients will submit an annual end of fiscal year report by July 15.

Reviewer _____ Date _____

_____ **Recommend**

_____ **Not Recommend**

APPENDIX C

Minnesota Statutes

123B.04 Site decision-making agreement.

Subdivision 1. **Definition.** "Education site" means a separate facility. A program within a facility or within a district is an education site if the school board recognizes it as a site.

Subd. 2. **Agreement.** (a) Upon the request of 60 percent of the licensed employees of a site or a school site decision-making team, the school board shall enter into discussions to reach an agreement concerning the governance, management, or control of the school. A school site decision-making team may include the school principal, teachers in the school or their designee, other employees in the school, representatives of pupils in the school, or other members in the community. A school site decision-making team must include at least one parent of a pupil in the school. For purposes of formation of a new site, a school site decision-making team may be a team of teachers that is recognized by the board as a site. The school site decision-making team shall include the school principal or other person having general control and supervision of the school. The site decision-making team must reflect the diversity of the education site. At least one-half of the members shall be employees of the district, unless an employee is the parent of a student enrolled in the school site, in which case the employee may elect to serve as a parent member of the site team.

(b) School site decision-making agreements must delegate powers, duties, and broad management responsibilities to site teams and involve staff members, students as appropriate, and parents in decision making.

(c) An agreement shall include a statement of powers, duties, responsibilities, and authority to be delegated to and within the site.

(d) An agreement may include:

(1) an achievement contract according to subdivision 4;

(2) a mechanism to allow principals, a site leadership team, or other persons having general control and supervision of the school, to make decisions regarding how financial and personnel resources are best allocated at the site and from whom goods or services are purchased;

(3) a mechanism to implement parental involvement programs under section [124D.895](#) and to provide for effective parental communication and feedback on this involvement at the site level;

(4) a provision that would allow the team to determine who

is hired into licensed and nonlicensed positions;

(5) a provision that would allow teachers to choose the principal or other person having general control;

(6) an amount of revenue allocated to the site under subdivision 3; and

(7) any other powers and duties determined appropriate by the board.

The school board of the district remains the legal employer under clauses (4) and (5).

(e) Any powers or duties not delegated to the school site management team in the school site management agreement shall remain with the school board.

(f) Approved agreements shall be filed with the commissioner. If a school board denies a request or the school site and school board fail to reach an agreement to enter into a school site management agreement, the school board shall provide a copy of the request and the reasons for its denial to the commissioner.

(g) A site decision-making grant program is established, consistent with this subdivision, to allow sites to implement an agreement that at least:

(1) notwithstanding subdivision 3, allocates to the site all revenue that is attributable to the students at that site;

(2) a provision, consistent with current law and the collective bargaining agreement in effect, allows the site team to decide who is selected from within the district for licensed and nonlicensed positions at the site and to make staff assignments in the site; and

(3) includes a completed performance agreement under subdivision 4.

The commissioner shall establish the form and manner of the application for a grant and annually, at the end of each fiscal year, report to the house of representatives and senate committees having jurisdiction over education on the progress of the program.

Subd. 3. **Revenue and cost allocation.** Revenue for a fiscal year received or receivable by the district shall be allocated to education sites based on the agreement between the school board and the site decision-making team. Revenue shall remain allocated to each site until used by the site. The site teams and the board may enter an agreement that permits the district to provide services and retain the revenue required to pay for the services provided. The district remains responsible for legally entering into contracts and expending funds. For the purposes of this subdivision, "allocation" means that the determination of the use of the revenue shall be under the control of the site. The district may charge the accounts of each site the actual costs of goods and services from the general or capital funds attributable to the site.

Subd. 4. **Achievement contract.** A school board may enter a written education site achievement contract with each site decision-making team for the purpose of setting learning performance expectations for that site, including the goals for improvement in each area of student performance during the next year, a plan to assist the education site if their goals are not achieved, and other performance expectations and measures determined by the board and the site decision-making team.

Subd. 5. **Commissioner's role.** The commissioner of education, in consultation with appropriate educational organizations, shall:

(1) upon request, provide technical support for districts and sites with agreements under this section;

(2) conduct and compile research on the effectiveness of site decision making; and

(3) periodically report on and evaluate the effectiveness of site management agreements on a statewide basis.