

SCHOOL DISTRICT OF THE CITY OF MUSKEGON HEIGHTS

**Office of the Emergency Manager
Gregory Weatherspoon**

EM Order 2015-1

BY THE POWER AND AUTHORITY VESTED IN
THE EMERGENCY MANAGER FOR THE
SCHOOL DISTRICT OF THE CITY OF MUSKEGON HEIGHTS, MICHIGAN
(AEMERGENCY MANAGER@)
THROUGH MICHIGAN COMPILED LAW (AMCL@) §§141.1541 - 141.1575,
380.1 - 380.1853, 388.1601 - 388.1772, 423.201 - 423.217 and 38.71 - 38.191

THE EMERGENCY MANAGER, GREGORY WEATHERSPOON,
HEREBY ISSUES THE FOLLOWING:

**ORDER CLARIFYING CHARTER CONTRACT WITH THE MUSKEGON HEIGHTS
PUBLIC SCHOOL ACADEMY SYSTEM**

By the authority of the Local Financial Stability and Choice Act granted under Public Act 436 of the Public Acts of Michigan, 2012, (the "Act"), and by the appointment of the Emergency Manager of the District by the Governor of the State of Michigan pursuant to that Act, the following preamble and order is issued:

WHEREAS:

1. The School District for the City of Muskegon Heights entered into a Charter Agreement with the Muskegon Heights Public Schools Academy System on July 9, 2012 to operate the District's K-12 education system and that agreement having been modified on August 22, 2014 to allow the PSA to be self-managed.
2. The Charter contract between the parties' calls for Muskegon Heights Public School District, as Authorizer, to receive 3% of the State aid payments as a fee for oversight of the System (See Charter Contract Section C, Schedule 4, Section 4.01)
3. The term "State School Aid Payments" is not further defined with regard to state education grants, incentive payments, etc. and the Emergency Manager wishes to clarify the definition for purposes of the parties' contract.


4. The Emergency Manager has consulted with the PSA Board with regard to this clarification.

NOW, THEREFORE, BE IT ORDERED THAT:

The Charter Agreement between the parties entered into on July 9, 2012 and amended on August 22, 2014 shall be clarified in the following particulars:

1. The 3% authorizer fee due to the Muskegon Heights Public School District shall be a percentage of the District's foundation grant monies only.
2. The 3% fee shall not apply to any non foundation funds such as State and Federal Grants, Incentive payments, and awards without prior consultation with the PSA Board.

Dated: March 2, 2015


Gregory Weatherspoon
Emergency Manager