



STATE OF MICHIGAN  
OFFICE OF THE GOVERNOR  
LANSING

GRETCHEN WHITMER  
GOVERNOR

GARLIN GILCHRIST II  
LT. GOVERNOR

July 19, 2021

**VIA E-MAIL**

Jessica Thomas  
Chair, Receivership Transition Advisory Board  
School District of the City of Muskegon Heights  
430 West Allegan Street  
Lansing, MI 48922

**RE: School District of the City of Muskegon Heights Receivership**

Dear Chair Thomas,

I have reviewed your June 14, 2021 letter requesting termination of the receivership of the School District of the City of Muskegon Heights ("District") and dissolution of the Receivership Transition Advisory Board ("Board") under Public Act 436 of 2012. I am also in receipt of a May 24, 2021 letter from State Treasurer Eubanks that concludes that the District's financial conditions have been corrected in a sustainable fashion.

In addition, I have received confirmation that, in partnership with the Departments of Education and Treasury, the following supports and services will continue to be made available to the students and school leaders in Muskegon Heights after the termination of the receivership:

- Pursuant to Section 1219 of the Revised School Code, Public Act 451 of 1976, the Michigan Department of Treasury will continue to monitor the District's finances. The District will be required to submit monthly financial status reports to the Department of Treasury and participate in monthly meetings with leadership.
- Through funds appropriated to the Bureau of Local Government and School Services, the Department of Treasury will provide technical assistance to help strengthen their long-term financial position by providing targeted financial resources to projects that may improve fiscal stability.
- The District is a recipient of Local Emergency Financial Assistance Loan Board (ELB) emergency loans. As required by the Emergency Municipal Loan Act, Public Act 243 of 1980, and ELB Orders, the District is required to submit

regular financial reports to the state to monitor the District's ongoing financial health.

- The Michigan Department of Education will continue to provide supports through their Office of Partnership Districts and their signed Partnership Agreement with Muskegon Heights Public School Academy System. This Partnership Agreement identifies mutually agreed upon academic goals and supports. Since the 2018 fiscal year, the state has provided over \$1.3 million to assist in implementation of the Partnership Agreement.
- In 2021, Mukegon Heights Public School Academy was awarded a \$3 million, five-year grant to advance literacy skills for children from birth through grade 12. These funds will support local efforts to improve literacy outcomes for students in Muskegon Heights.

These supports and services aim to strengthen the financial stability of the District and improve academic outcomes for children in the community.

In reviewing the accomplishments of the District, I agree with your recommendation that the receivership be terminated and Board be dissolved. In accordance with Section 9(7) and Section 23(3) of Public Act 436 of 2012, I remove the School District of the City of Muskegon Heights from receivership. Any outstanding technical requirements under Section 22(4) of the Act are waived. This action also dissolves the Receivership Transition Advisory Board for the School District of the City of Muskegon Heights. I want to thank the members of this body for their service.

This is a significant and well-deserved day for the City of Muskegon Heights. I extend my congratulations to the School District of the City of Muskegon Heights as it continues on the path of financial stability and success.

Sincerely,



Gretchen Whitmer  
Governor

Encs.: Letter to Governor Whitmer from State Treasurer Rachel Eubanks, May 24, 2021  
Letter to Governor Whitmer from Board Chair Jessica Thompson, June 14, 2021

cc: State Treasurer Rachel Eubanks



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

GRETCHEN WHITMER  
GOVERNOR

RACHAEL EUBANKS  
STATE TREASURER

May 24, 2021

The Honorable Gretchen Whitmer  
Governor of Michigan  
George W. Romney Building  
111 South Capitol Avenue  
Lansing, MI 48909

*Via U.S. Mail and E-mail*

Dear Governor Whitmer:

The Receivership Transition Advisory Board for the School District of Muskegon Heights has recommended that the school district's receivership status under Public Act 436 of 2012 be terminated.

In reviewing the School District of Muskegon Heights' achievements, it has made significant progress operating under the Receivership Transition Advisory Board's (the Board) statutory oversight. Moreover, financial conditions have been corrected in a sustainable fashion.

Consequently, as you consider the request to make this determination under Section 9(8) of the Act, the Department of Treasury is committed to providing ongoing technical assistance and serving as a resource to the School District of Muskegon Heights and Muskegon Heights Public School Academy System. The Department will continue to monitor the districts fiscal health including the repayment of debt obligations and is committed to supporting efforts to mitigate the disruption of educational services to ensure School District of Muskegon Heights and Muskegon Heights Public School Academy System continue on a path of financial stability and success.

The Michigan Department of Education also provided my office with additional confirmation that it will continue to provide a comprehensive plan of support and identify appropriate resources to the Muskegon Heights Public School Academy through the partnership agreement the Department entered into with the Muskegon Heights Public School Academy beginning in 2017. The Department also highlighted that Muskegon Heights Public School Academy System was one of five schools recently awarded \$3 million of federally funded literacy grants that will expand over a five-year period to advance literacy skills, including pre-literacy skills, reading, and writing, for children from birth through grade 12. Through the partnership agreement and grant funding, the Department of Education will continue to provide additional assurances of the prioritization of academic outcomes for all students.

This is an important achievement for the School District of Muskegon Heights as significant financial and operational progress has been made to move the district back to a path of fiscal stability. If you have any questions or need additional information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Rachael Eubanks".

Rachael Eubanks  
State Treasurer

Cc: Joyce Parker, Treasury  
Heather Frick, Treasury  
Jessica Thomas, Treasury



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

GRETCHEN WHITMER  
GOVERNOR

RACHAEL EUBANKS  
STATE TREASURER

June 14, 2021

The Honorable Gretchen Whitmer  
Governor  
State of Michigan  
111 South Capitol Avenue  
Lansing, MI 48909

**Subject: Receivership Transition Advisory Board for the School District of the city of Muskegon Heights**

Dear Governor Whitmer:

At the May 19, 2021 meeting of the Receivership Transition Advisory Board for the School District of the City of Muskegon Heights ("the Board"), the Board adopted the attached resolution ("the Resolution") recommending that the receivership of the School District of the City of Muskegon Heights ("District") be terminated, and that oversight of the District be returned to the School District of the City of Muskegon Heights Board of Education ("the District Board"). Accordingly, the Board requests that you terminate the receivership for the District and dissolve the Board.

If you have any questions or need additional information, please do not hesitate to contact me.

Regards,

A handwritten signature in black ink, appearing to read "Jessica Thomas".

Jessica Thomas, Chair  
Receivership Transition Advisory Board  
School District of the City of Muskegon Heights

Attachments

cc: State Treasurer Rachael Eubanks