



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

DETROIT FINANCIAL REVIEW COMMISSION

SCHOOL DISTRICT RESOLUTION 2016-13

**CERTIFYING THE DETROIT PUBLIC SCHOOLS COMMUNITY
DISTRICT'S COMPLIANCE WITH THE MICHIGAN FINANCIAL REVIEW
COMMISSION ACT**

WHEREAS, Public Act 181 of 2014, the Michigan Financial Review Commission Act (the "Act"), allows for the creation of the Detroit Financial Review Commission (the "Commission") within the Michigan Department of Treasury; and

WHEREAS, Section 6(1) of the Act empowers the Commission to provide oversight for the Detroit Public Schools Community District (the "Community District") beginning on June 21, 2016; and

WHEREAS, Section 6(2) of the Act requires the Commission to ensure that the Community District is complying with the terms and conditions of the Act; and

WHEREAS, Section 6(2) of the Act further requires the Commission, except as otherwise provided in Section 8 of the Act, to certify by October 1 each year that the Community District is in substantial compliance with the provisions of the Act; and

WHEREAS, at the Commission meeting on September 16, 2016, documentation of the Community District's compliance with the Act from June 21, 2016 through August 31, 2016, attached as **Exhibit A** to this Resolution, was presented for consideration.

NOW THEREFORE, be it resolved by the Detroit Financial Review Commission as follows:

1. That the Commission hereby certifies that the Community District is in substantial compliance with the provisions of the Act for the period from June 21, 2016 through August 31, 2016.
2. That the minutes of the Detroit Financial Review Commission meeting at which this Resolution is adopted take notice of the adoption of this Resolution.
3. This Resolution shall have immediate effect.

DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

Marios Demetriou

Deputy Superintendent of Finance & Operations

Fisher Building, 11th Floor
3011 West Grand Boulevard
Detroit, MI 48202

Phone: (313) 873-4147
Fax: (313) 873-4478
www.detroitk12.org

To: Financial Review Commission ("FRC")

Subject: Certification of Detroit Public Schools Community District ("DPSCD") Compliance with the Public Act 181 of 2014 ("PA 181"), Section 6(3)

Issuance Date: September 16, 2016

1. AUTHORITY

1.1. PA 181, Section 6(3) states that the commission shall ensure that, where applicable, a qualified school district complies with the provisions of all of the following, as applicable, and may request verification of compliance. The provisions of PA 181, Section 6(3) include: (a) Section 8 of the publicly funded health insurance contribution act, 2011 PA 152, MCL 15.568.; (c) The revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.; (d) The uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a.; (e)(i) The revised school code, 1976 PA 451, MCL 380.1 to 380.1852.; (e)(ii) Article I of the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772.; (e)(iii) The public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

2. PURPOSE

2.1 The FRC has requested the Deputy Superintendent of Finance & Operations of DPSCD verify compliance with the provisions outlines in Section 1.1 of this letter.

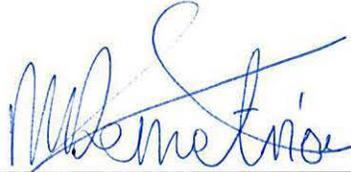
3. OBJECTIVES

- 3.1. DPSCD is in compliance with Section 8 of the publicly funded health insurance contribution act, 2011 PA 152, MCL 15.568.
- 3.2. DPSCD is in compliance with the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.
- 3.3. DPSCD is in compliance with the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a.
- 3.4. DPSCD is in compliance with the Revised School Code, 1976 PA 451, MCL 380.1 to 380.1852
- 3.5. DPSCD is in compliance with Article I of the State School Aid Act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772
- 3.6. DPSCD is in compliance with the Public School Employees Retirement Act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

In accordance with PA 181 and at the request of the FRC, I, Marios, Deputy Superintendent of Finance & Operations of DPSCD, hereby certify that DPSCD is in compliance and/or substantial compliance with the provisions outlined in Section 1.1 of this letter.

CERTIFIED

9-14-2016

A handwritten signature in blue ink, appearing to read "M Demetriou", written over a horizontal line.

Date

Marios Demetriou, Deputy Superintendent of Finance & Operations

DETROIT FINANCIAL REVIEW COMMISSION

Annual Certification of Detroit Public Schools Community District (“DPSCD”)
Compliance with the Michigan Financial Review Commission Act (Act 181 of 2014)
Per MCL 141.1636(2)

For the Period June 21, 2016 through August 31, 2016

Required Annually by October 1
Presented on September 16, 2016

Requirement	FRC Act Sec. No.	Compliance
Statutory compliance: Section 8 of the publicly funded health insurance contribution act, 2011 PA 152, MCL 15.568	6(3)(a)	See DPSCD’s attached verification of compliance.
The revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821	6(3)(c)	See DPSCD’s attached verification of compliance.
The uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a	6(3)(d)	See DPSCD’s attached verification of compliance.
Statutory compliance: The Revised School Code, 1976 PA 451, MCL 380.1 to 380.1852	6(3)(e)(i)	See DPSCD’s attached verification of compliance.
Statutory compliance: Article I of the State School Aid Act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772	6(3)(e)(ii)	See DPSCD’s attached verification of compliance.
Statutory compliance: The public School Employees Retirement Act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437	6(3)(e)(iii)	See DPSCD’s attached verification of compliance.
FRC review and approval of all applicable contracts	6(6)	DPSCD has submitted 5 applicable contracts. FRC has approved all of them.
DPSCD and its CFO provide needed information and documents to FRC and attend FRC meetings when needed	6(7), 7(d), and 7(o)	DPSCD and CFO have been responsive to requests for information and documents and have attended meetings when requested.
FRC review and approval of collective bargaining agreements (CBAs)	6(9)	DPSCD has submitted 7 CBA extension agreements. FRC has approved all of them.
Quarterly debt service certifications	6(11)	DPSCD has provided all quarterly certifications.
FRC review of DPSCD revenue estimates	7(a)	DPSCD has provided its revenue estimates to the FRC in connection with its budget submissions per subsection 7(c).
FRC review and approval of the annual budget and budget amendments	7(c)	DPSCD submitted its FY 2017 Budget to the FRC on June 24, 2016. FRC approved it on June 27, 2016. DPSCD has submitted 1 omnibus FY 2017 budget amendment to date. FRC has approved it.
FRC review and approval of requests to issue debt	7(e)	DPSCD has not submitted any requests to issue debt.
FRC reviews compliance with a deficit elimination plan	7(f)	DPSCD has not been required to submit a deficit elimination plan.
FRC approval of Chief Financial Officer appointment	7(h)	DPSCD submitted its appointment of its Chief Financial Officer. FRC approved the appointment on July 25, 2016.
FRC approval to alter the DPSCD Superintendent’s contract or to terminate the DPSCD Superintendent	7(i)	DPSCD has not undertaken such actions.

FRC School District Resolution 2016-13
Exhibit A

FRC review and approval of reimbursements for out-of-state travel	7(q)	DPSCD has submitted 30 reimbursement requests for out-of-state travel. FRC has approved all of them.
---	------	--