



Financial Review Commission Public Meeting '

July 30, 2018 %

Agenda



DPS Financial Update

DPSCD Financial Update

Contracts and Out-of-State Travel

Capital Projects Update

DPS Summary '

- **Revenues and Expenditures**

- Local revenues through May were significantly below budget, with YTD tax & collections \$2.8M below anticipated collections. &

- **Cash Flow**

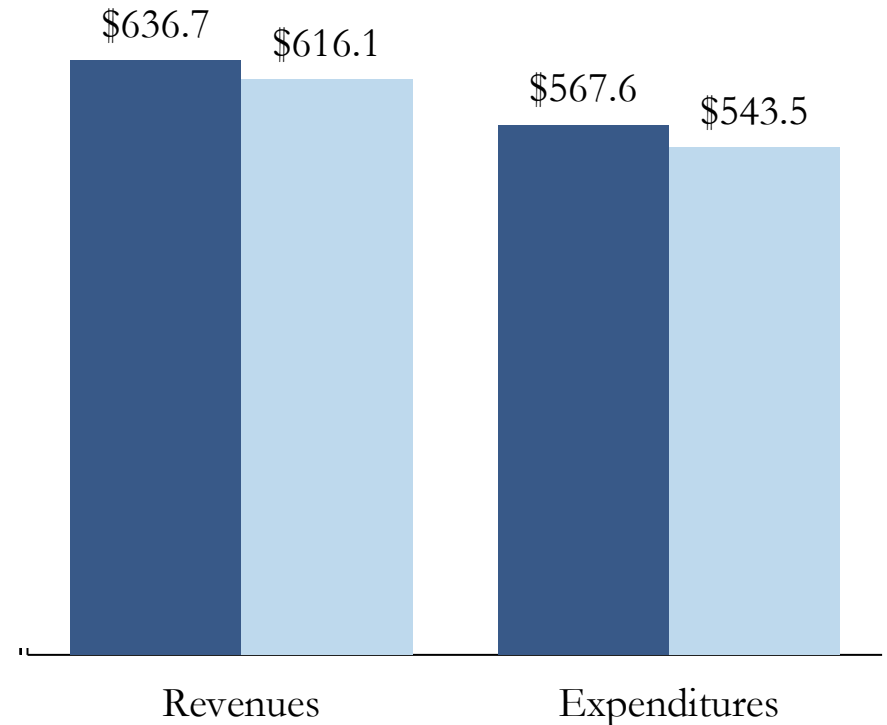
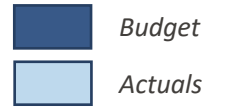
- DPS repaid the loan provided by DPSCD to fund the employer taxes for the 3% payroll reimbursement.
- The draw from BONY has been revised after further guidance was provided by the City of Detroit regarding property tax collections.
- The ending cash balance for May was \$7.1M, with a projected FY 2018 ending cash balance of \$9.9M.

DPSCD Revenues and Expenditures Through May 2018 %

- Financials reflect Budget Amendment No. 2.
- Year to Date revenues through May were below budget (\$20.6M).
- Year to Date expenditures through May were below budget (\$24.1M).
 - Salaries and Benefits were below budget by \$7.1M. (
 - Purchased Services were below budget by \$14.7M.

Budget vs. Actuals

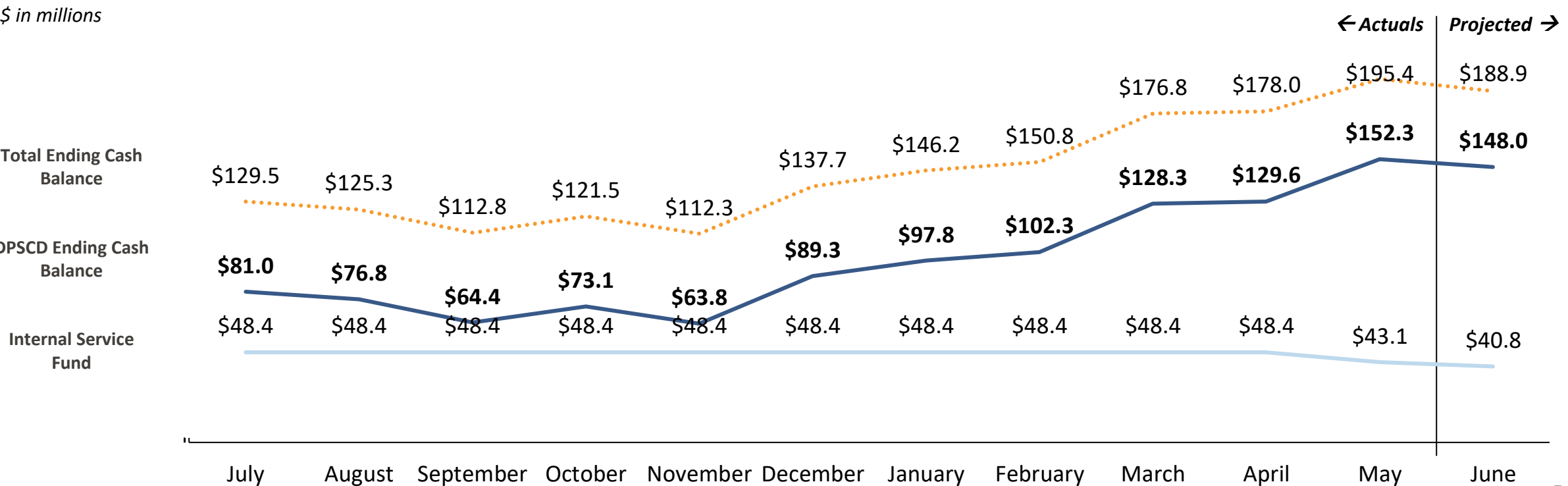
\$ in millions



DPSCD May 2018 Cash Flow Analysis %

- DPSCD’s ending cash balance for May was \$152.3M and the Internal Service Fund ending balance was \$43.1M, for a total ending balance of \$195.4M.
- The projected FY 2018 ending cash balance for DPSCD of \$148.0M was raised from the previous projected ending cash balance of \$142.7M (drivers summarized below).
 - Grants: \$7.5M increase due to higher than initially projected grant reimbursements.
 - WCRESA: \$8.1M lower than initially projected due to updated guidance from Wayne County.
 - Other: \$4.7M reduction in unused contingency.
- The current cash balance is estimated to be equivalent to 12.1 weeks of average expenditures¹.

Actual & Projected Ending Cash Balance



(1) Calculated by taking current cash balance as of June 01, 2018 and dividing it by the average actual YTD expenditures per week, excluding any one-time items such as the \$16M loan to DPS to fund a SODEXO payment.

DPS Monthly Report \$



Summary statement of revenues and expenditures – budget to actual comparison

- Based on actual results through May 2018, DPS recorded a slight surplus of revenues over expenditures of \$1.5M
- Year to date Local Source revenues remain below what was anticipated in budget, due to the timing of property tax distributions from the City and County.
- In the month of May, DPS incurred an additional \$875K in debt service, and received additional local revenues of \$264K.

	Budget Month of May-18	Actual Month of May-18	Variance		Budget YTD May-18	Actual YTD May-18	Variance	
			\$	%			\$	%
Revenues								
Local sources	1,617,775	263,680	(1,354,095)	-84%	48,886,028	46,091,158	(2,794,869)	-6%
State sources	361,657	360,894	(763)	0%	3,978,223	3,969,835	(8,388)	0%
Federal sources	-	-	-	-	-	-	-	-
Interdistrict sources	-	-	-	-	-	-	-	-
Other sources	-	-	-	-	-	-	-	-
Total revenue	1,979,432	624,574	(1,354,858)	-68%	52,864,251	50,060,994	(2,803,257)	-5%
Expenditures								
Operating expenditures	-	-	-	-	400,000	36,000	(364,000)	-
Debt Service	875,178	875,178	-	0%	48,548,164	48,548,164	-	0%
Transfers out	-	-	-	-	-	-	-	-
Total expenditures	875,178	875,178	-	0%	48,948,164	48,584,164	(364,000)	-1%
Surplus (Deficit)	1,104,253	(250,604)	(1,354,858)	-123%	3,916,087	1,476,830	(2,439,257)	-62%

DPS Cash Forecast to Actuals Variance – May 2018 \$

<i>\$ in thousands</i>	May Forecast	May Actuals	May Variance	Comment
Cash Receipts				
Property Tax (13 Mills)	12,900	287	(12,613)	Timing - lower than anticipated property tax collections. Collections to be made in a future period. 5
Transfer from DPSCD 5	-	-	-	
Draw from BONY 5	-	-	-	
Miscellaneous 5	4,182	4,768	586	Includes approximately \$4.1M transfer from DPS payroll account to reimburse DPSCD for the loan to fund the 3% payroll reimbursement. The remainder consists primarily of higher than anticipated remote deposits.
Total Cash Receipts	17,082	5,055	(12,026)	
Cash Disbursements				
Payroll Direct Deposit 5	-	-	-	Additional transfers to be made in future periods 5
FICA 5	-	-	-	
Accounts Payable 5	(50)	(20)	30	
Fringe Benefits 5	-	-	-	
Property Tax Transfer (1) 5	(15,849)	-	15,849	
Food Service 5	-	-	-	
Transfer to DPSCD 5	(4,566)	(4,566)	-	
Other 5	(100)	(30)	70	
Total Cash Disbursements	(20,565)	(4,617)	15,948	
Net Cash Flow	(3,484)	438	3,922	
Beginning Cash Balance	6,673	6,673	-	
Net Cash Flow	(3,484)	438	3,922	
Ending Cash Balance	\$ 3,190	\$ 7,111	\$ 3,922	

(1) Property tax transfer relates to 13 Mills property tax receipts collected to cover capital debt service.

DPS FY 2018 monthly cash flows

\$ in thousands "

	2017						2018						FY 18 Total
	July	August	September	October	November	December	January	February	March	April	May	June	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	
Cash Receipts													
State Aid (1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,876	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,876
Property Tax (13 Mills) (2)	290	2,427	27,530	4,209	1,704	1,363	7,855	7,028	877	707	287	22,900	77,178
Transfer from DPSCD (3)	-	16,000	-	-	-	-	-	-	5,327	178	-	570	22,075
Draw from BONY	-	16,740	-	-	-	-	-	-	-	-	-	5,695	22,436
Miscellaneous (4)	124	112	1,014	137	102	1,137	36	99	259	37	4,768	-	7,826
Total Cash Receipts	415	35,280	28,543	4,347	1,806	2,500	36,767	7,126	6,464	922	5,055	29,165	158,389
Cash Disbursements													
Payroll Direct Deposit (1)	-	-	-	-	-	-	-	-	(28,876)	-	-	-	(28,876)
Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
FICA (1)	-	-	-	-	-	-	-	-	(4,597)	-	-	-	(4,597)
Accounts Payable (5)	-	(16,209)	(304)	(58)	(49)	(58)	(72)	(2,026)	(56)	(2,037)	(20)	(50)	(20,941)
Pension (employee portion)	-	-	-	-	-	-	-	-	-	-	-	-	-
Pension (employer portion)	(4)	-	-	-	-	-	-	-	-	-	-	-	(4)
Health	-	-	-	-	-	-	-	-	-	-	-	-	-
Fringe Benefits (6)	-	(0)	-	-	-	-	-	-	(23)	(11)	-	-	(34)
Property Tax Transfer	-	(1,472)	(27,530)	-	-	-	-	(16,408)	(7,411)	-	-	(26,136)	(78,957)
Food Service	-	-	-	-	-	-	-	-	(97)	-	-	-	(97)
Transfer to DPSCD (7)	-	-	(19,779)	-	-	-	-	-	-	(0)	(4,566)	-	(24,346)
Other (8)	(24)	(72)	-	(7)	(504)	(2,357)	(1,161)	(23)	(75)	(33)	(30)	(100)	(4,385)
Total Cash Disbursements	(28)	(17,754)	(47,612)	(65)	(553)	(2,415)	(1,233)	(18,457)	(41,135)	(2,082)	(4,617)	(26,286)	(162,237)
Net Cash Flow	386	17,526	(19,069)	4,281	1,253	85	35,534	(11,330)	(34,671)	(1,160)	438	2,879	(3,848)
Beginning Cash Balance	13,838	14,225	31,750	12,681	16,963	18,215	18,301	53,835	42,504	7,833	6,673	7,111	13,838
Net Cash Flow	386	17,526	(19,069)	4,281	1,253	85	35,534	(11,330)	(34,671)	(1,160)	438	2,879	(3,848)
Ending Cash Balance	\$ 14,225	\$ 31,750	\$ 12,681	\$ 16,963	\$ 18,215	\$ 18,301	\$ 53,835	\$ 42,504	\$ 7,833	\$ 6,673	\$ 7,111	\$ 9,990	\$ 9,990

Forecast includes actuals through June 01, 2018.

(1)) Includes a \$28.9M reimbursement of salaries to District employees, that were previously withheld by the State. The amount withheld plus applicable employer related taxes is to be passed through to the payroll line and FICA line.

(2)) Property Tax forecast based on guidance provided by the City of Detroit.

(3)) There is a \$178K draw-down from DPSCD in April that is related to the reimbursement of Legal, Worker's Comp, and TIP payments made by DPS on behalf of DPSCD.

(4)) Miscellaneous receipts in September includes a \$1.1M in property tax abatements (Ren. Zone), which should have been sent to the BONY account. Monies were transferred to BONY in January. March receipts include a transfer in from a DPS payroll account to fund the incremental withholding taxes owed by the District related to the 3% payroll withholding. May miscellaneous receipts includes a transfer from the DPS payroll account to reimburse DPSCD for the loan to fund the 3% payroll withholding employer related taxes.

(5)) Includes \$20M in settlement payments to Sodexo (the remaining \$8M will be paid in FY 2019). January includes \$36K in audit and legal fees.

(6)) Fringe benefits includes checks paid to the deceased relating to the 3% payroll reimbursement.

(7)) Transfer to DPSCD in May includes the surplus of the amount transferred to DPS to cover taxes related to the 3% payroll reimbursement compared to the amount actually paid by DPS. About \$45K of the transfer amount is related to grant funds previously received from DPS but meant for DPSCD.

(8)) December activity includes a reimbursement to Wayne County for 2014/2015 overpayment of Act 18 Funds. January activity includes the pass-through to the BONY account mentioned in footnote 3. The forecast for June includes the savings from the budgeted legal and audit fees, which are being spread here as contingency.

DPS FY 2019 monthly cash flows

\$ in thousands

	2018						2019						FY 19 Total
	July	August	September	October	November	December	January	February	March	April	May	June	
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
Cash Receipts													
Property Tax (13 Mills)	\$ 951	\$ 2,682	\$ 19,965	\$ 4,076	\$ 1,748	\$ 1,137	\$ 2,468	\$ 4,366	\$ 17,553	\$ 828	\$ 2,243	\$ 16,985	\$ 75,000
Transfer from DPSCD	-	-	-	-	-	-	-	-	-	-	-	-	-
Draw from BONY (1)	17,488	4,188	-	-	-	-	-	-	3,081	199	352	923	26,230
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts	18,439	6,869	19,965	4,076	1,748	1,137	2,468	4,366	20,634	1,027	2,595	17,908	101,230
Cash Disbursements													
Payroll Direct Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-
Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
FICA	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Payable (2)	-	(8,000)	-	-	-	-	(100)	-	-	-	-	-	(8,100)
Pension (employee portion)	-	-	-	-	-	-	-	-	-	-	-	-	-
Pension (employer portion)	-	-	-	-	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-	-	-	-	-
Fringe Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-
Property Tax Transfer	(951)	(2,682)	(19,965)	(4,076)	(1,748)	(1,137)	(2,468)	(4,366)	(17,553)	(828)	(2,243)	(16,985)	(75,000)
Food Service	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to DPSCD	-	(13,100)	-	-	-	-	-	-	-	-	-	(6,900)	(20,000)
Other (3)	-	-	(2,357)	-	-	-	-	-	-	-	-	-	(2,357)
Total Cash Disbursements	(951)	(23,782)	(22,321)	(4,076)	(1,748)	(1,137)	(2,568)	(4,366)	(17,553)	(828)	(2,243)	(23,885)	(105,457)
Net Cash Flow	17,488	(16,912)	(2,357)	-	(0)	0	(100)	-	3,081	199	352	(5,977)	(4,226)
Beginning Cash Balance	9,990	27,478	10,566	8,209	8,209	8,209	8,209	8,109	8,109	11,190	11,389	11,741	9,990
Net Cash Flow	17,488	(16,912)	(2,357)	-	(0)	0	(100)	-	3,081	199	352	(5,977)	(4,226)
Ending Cash Balance	\$ 27,478	\$ 10,566	\$ 8,209	\$ 8,209	\$ 8,209	\$ 8,209	\$ 8,109	\$ 8,109	\$ 11,190	\$ 11,389	\$ 11,741	\$ 5,764	\$ 5,764

(1) The draw from BONY has been revised after further guidance was provided by the City of Detroit regarding property tax collections.

(2) The \$8M payment in August is the last settlement payment to Sodexo.

(3) The \$2.3M payment in September is a reimbursement to Wayne County for 2014/2015 overpayment of Act 18 Funds

DPSCD Monthly Report %



Summary statement of revenues and expenditures (object) – budget to actual comparison

- Based on actual results through May 2018, DPSCD is \$3.5M ahead of budget. However at this point, DPSCD believes some of this favorable variance is due to timing and will reverse before the end of the fiscal year.

	Budget Month of May-18	Actual + Month of May-18	Variance		Budget YTD May-18	Actual YTD May-18	Variance	
			\$	%			\$	%
Revenues								
Local sources	\$ 9,866,831	\$ 4,191,729	\$ (5,675,102)	(58%)	\$ 70,977,359	\$ 67,210,295	\$ (3,767,064)	(5%)
State sources	42,544,438	39,306,639	(3,237,799)	(8%)	452,615,321	441,774,623	(10,840,698)	(2%)
Federal sources	13,084,075	8,785,145	(4,298,930)	(33%)	113,150,087	107,156,362	(5,993,725)	(5%)
Total revenues +	65,495,344	52,283,513	(13,211,831)	(20%)	636,742,767	616,141,280	(20,601,487)	(3%)
Expenditures (Object)								
Salaries	\$ 29,967,905	\$ 27,649,126	\$ (2,318,779)	(8%)	\$ 260,588,204	\$ 256,338,100	\$ (4,250,105)	(2%)
Benefits	17,532,798	15,937,278	(1,595,520)	(9%)	149,627,273	146,717,339	(2,909,933)	(2%)
Purchased Services	14,333,756	13,521,391	(812,364)	(6%)	127,781,253	113,083,983	(14,697,270)	(12%)
Supplies & Textbooks	1,591,663	1,082,899	(508,764)	(32%)	11,246,683	9,718,492	(1,528,191)	(14%)
Equipment & Capital	354,392	85,863	(268,529)	(76%)	2,111,234	1,725,088	(386,146)	(18%)
Utilities	1,381,809	1,256,169	(125,640)	(9%)	15,337,992	15,085,444	(252,548)	(2%)
Contingency / Other	200,500	78,478	(122,022)	(61%)	913,196	786,721	(126,475)	(14%)
Total Expenditures +	65,362,823	59,611,205	(5,751,618)	(9%)	567,605,835	543,455,167	(24,150,668)	(4%)
Surplus (Deficit) +	\$ 132,521	\$ (7,327,692)	\$ (7,460,213)	N/A	\$ 69,136,932	\$ 72,686,113	\$ 3,549,181	5%

Summary statement of expenditures (function) – budget to actual comparison

	Budget		Actual		Variance		Budget		Actual		Variance			
	Month of		Month of				YTD		YTD					
	May-18		May-18		\$	%	May-18		May-18		\$	%		
Expenditures (Function)														
Elementary Programs	\$	15,771,260	\$	13,274,488	\$	(2,496,772)	(16%)	\$	118,939,451	\$	113,939,663	\$	(4,999,788)	(4%)
Middle School Programs		1,600,101		1,363,668		(236,433)	(15%)		12,016,001		11,543,135		(472,867)	(4%)
High School & Summer Programs		6,625,554		5,693,305		(932,249)	(14%)		54,018,001		52,144,691		(1,873,310)	(3%)
Special Education		7,561,287		7,194,744		(366,543)	(5%)		63,767,748		62,322,592		(1,445,156)	(2%)
Compensatory Education		5,053,651		4,350,871		(702,780)	(14%)		40,076,253		38,670,507		(1,405,746)	(4%)
Career and Technical Education		286,447		249,690		(36,756)	(13%)		2,150,162		2,076,649		(73,512)	(3%)
Adult/Continuing Education - Basic		300,529		135,812		(164,717)	(55%)		1,466,137		1,136,704		(329,433)	(22%)
Total Instruction		37,198,828		32,262,579		(4,936,250)	(13%)		292,433,752		281,833,940		(10,599,813)	(4%)
Pupil	\$	5,226,316	\$	5,241,144	\$	14,828	0%	\$	47,040,579	\$	43,976,521	\$	(3,064,058)	(7%)
Instructional Support		3,154,464		3,091,833		(62,631)	(2%)		28,393,849		28,033,889		(359,960)	(1%)
General Administration		377,056		385,534		8,478	2%		3,996,176		3,988,732		(7,444)	(0%)
School Administration		3,823,103		3,821,724		(1,379)	(0%)		36,077,813		35,014,615		(1,063,198)	(3%)
Business		1,303,687		1,141,528		(162,159)	(12%)		8,778,744		8,339,038		(439,705)	(5%)
Maintenance & Operations		6,986,805		6,966,017		(20,788)	(0%)		81,385,395		74,965,420		(6,419,975)	(8%)
Transportation		4,051,628		3,949,824		(101,804)	(3%)		32,651,323		31,149,377		(1,501,946)	(5%)
Central Support Services (1)		2,501,691		2,265,726		(235,965)	(9%)		32,540,299		32,063,465		(476,834)	(1%)
School Activities		405,560		337,787		(67,773)	(17%)		2,054,245		1,841,180		(213,065)	(10%)
Total Supporting Services		27,830,309		27,201,117		(629,193)	(2%)		272,918,422		259,372,237		(13,546,186)	(5%)
Community Service	\$	333,685	\$	147,509		(186,176)	(56%)	\$	2,253,660	\$	2,248,991		(4,669)	(0%)
Total Expenditures	\$	65,362,823	\$	59,611,205	\$	(5,751,618)	(9%)	\$	567,605,835	\$	543,455,167	\$	(24,150,668)	(4%)

(1) Central Support Services actuals for the month of October includes a one time MPSERS pass-through to the retirement system, which was funded by State Aid. \$

DPSCD Cash Forecast to Actuals Variance – May 2018 %

\$ in thousands

Cash Receipts

	May Forecast	May Actuals	May Variance	Comment 4
State Aid	\$ 39,243	\$ 39,684	\$ 441	
MPSERS (State Funded)	2,983	2,983	(0)	
Enhancement Millage	11	11	-	
Grants	21,117	28,629	7,512	Timing - catch up from prior periods
Transfer from DPS	4,566	4,566	-	
WCRESA	4,052	-	(4,052)	In order to avoid overpayment of Act 18 funds, Wayne County will not send funds for May or June of FY18
Food Service Reimbursement	1,109	3,314	2,205	Timing - catch up from prior periods
Miscellaneous	9,259	6,259	(3,000)	Timing - forecast assumed higher draw from the Internal Service Fund. Additional draws expected in future periods
Total Cash Receipts	82,341	85,446	3,105	

Cash Disbursements

MPSERS (Pass through)	\$ (2,983)	\$ (5,966)	\$ (2,983)	Timing - actuals includes two payments
Payroll Direct Deposit	(15,152)	(15,512)	(360)	
Taxes	(8,351)	(8,031)	319	
FICA	(2,641)	(2,592)	48	
Accounts Payable	(14,968)	(15,105)	(137)	
Pension (employee portion)	(2,935)	(3,001)	(66)	
Pension (employer portion)	(8,982)	(8,990)	(8)	
Health	(6,649)	(2,632)	4,017	Timing - forecast assumed two health payments. Additional health payment to be made in a future period
Fringe Benefits	(708)	(428)	280	
Food Service	(3,156)	(497)	2,658	Timing - forecast assumed higher amount
Transfer to DPS	-	-	-	
Other	-	-	-	
Total Cash Disbursements	(66,524)	(62,755)	3,769	
Net Cash Flow	15,817	22,691	6,874	
Beginning Cash Balance	129,589	129,589	-	
Net Cash Flow	15,817	22,691	6,874	
Ending Cash Balance	\$ 145,406	\$ 152,280	\$ 6,874	

DPSCD FY 2018 monthly cash flows

\$ in thousands

	2017						2018						FY 18 Total
	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	January Actual	February Actual	March Actual	April Actual	May Actual	June Forecast	
Cash Receipts													
State Aid	\$ 35,012	\$ 35,071	\$ -	\$ 39,508	\$ 40,457	\$ 39,236	\$ 39,920	\$ 36,331	\$ 40,439	\$ 39,821	\$ 39,684	\$ 39,097	\$ 424,575
MPERS (State Funded)	3,182	3,186	-	6,634	5,966	2,983	2,983	2,983	2,983	2,983	2,983	2,983	39,849
Enhancement Millage	1,078	1,017	2,128	3,342	3,037	1,631	310	2,164	2,651	-	11	-	17,368
Grants	18,108	12,295	11,226	229	5,854	13,756	7,349	23,452	27,995	11,493	28,629	7,226	167,612
Transfer from DPS (1)	-	-	19,779	-	-	-	-	-	-	0	4,566	-	24,346
WCRESA	-	-	3,848	4,052	6,613	4,052	4,052	4,052	8,104	-	-	-	34,774
Food Service Reimbursement	4,897	2,828	-	2,295	4,260	9,000	109	318	3,096	-	3,314	3,425	33,542
Miscellaneous (2)	2,593	578	588	602	2,985	1,232	1,057	2,674	1,479	1,069	6,259	3,269	24,385
Total Cash Receipts	64,870	54,974	37,569	56,662	69,172	71,890	55,780	71,974	86,748	55,366	85,446	55,999	766,450
Cash Disbursements													
MPERS (Pass through)	\$ (3,182)	\$ (3,182)	\$ (3,186)	\$ -	\$ (12,600)	\$ -	\$ (2,985)	\$ (2,983)	\$ (2,983)	\$ (2,983)	\$ (5,966)	\$ -	\$ (40,050)
Payroll Direct Deposit	(14,688)	(15,085)	(16,264)	(14,168)	(14,479)	(15,232)	(13,230)	(21,948)	(15,222)	(14,841)	(15,512)	(14,891)	(185,560)
Taxes	(4,878)	(4,182)	(4,368)	(5,119)	(8,795)	(5,233)	(5,204)	(5,521)	(5,201)	(5,164)	(8,031)	(5,718)	(67,416)
FICA	(2,017)	(1,752)	(1,261)	(1,554)	(1,802)	(1,635)	(1,509)	(1,675)	(1,568)	(1,637)	(2,592)	(1,787)	(20,790)
Accounts Payable	(11,803)	(8,513)	(15,531)	(11,884)	(17,819)	(14,121)	(13,066)	(17,419)	(17,683)	(13,564)	(15,105)	(16,741)	(173,250)
Pension (employee portion)	(1,635)	(1,454)	(1,140)	(1,751)	(2,773)	(1,875)	(966)	(2,809)	(1,928)	(2,054)	(3,001)	(2,007)	(23,392)
Pension (employer portion)	(5,029)	(4,622)	(3,459)	(5,504)	(8,660)	(5,819)	(2,931)	(8,440)	(5,752)	(6,164)	(8,990)	(6,219)	(71,591)
Health	(1,218)	(3,042)	(3,920)	(5,639)	(6,740)	(66)	(4,639)	(3,574)	(3,197)	(3,971)	(2,632)	(7,741)	(46,379)
Fringe Benefits	(215)	(937)	(592)	(795)	(177)	(214)	(449)	(266)	(242)	(190)	(428)	(577)	(5,084)
Food Service	(684)	(379)	(338)	(1,533)	(2,229)	(2,209)	(2,311)	(2,787)	(1,634)	(3,379)	(497)	(4,000)	(21,981)
Transfer to DPS (3)	-	(16,000)	-	-	-	-	-	-	(5,327)	(178)	-	(570)	(22,075)
Other	(23)	-	-	-	(2,356)	-	-	-	-	-	-	-	(2,379)
Total Cash Disbursements	(45,374)	(59,148)	(50,059)	(47,948)	(78,429)	(46,403)	(47,291)	(67,424)	(60,738)	(54,126)	(62,755)	(60,252)	(679,946)
Net Cash Flow	19,496	(4,174)	(12,489)	8,714	(9,257)	25,487	8,489	4,550	26,010	1,240	22,691	(4,252)	86,504
Beginning Cash Balance	61,523	81,020	76,846	64,357	73,071	63,814	89,301	97,790	102,340	128,349	129,589	152,280	61,523
Net Cash Flow	19,496	(4,174)	(12,489)	8,714	(9,257)	25,487	8,489	4,550	26,010	1,240	22,691	(4,252)	86,504
Ending Cash Balance	\$ 81,020	\$ 76,846	\$ 64,357	\$ 73,071	\$ 63,814	\$ 89,301	\$ 97,790	\$ 102,340	\$ 128,349	\$ 129,589	\$ 152,280	\$ 148,028	\$ 148,028
Memo:													
Internal Service Fund and Fiduciary Account													
Beginning Balance	\$ 48,439	\$ 48,439	\$ 48,439	\$ 48,439	\$ 48,439	\$ 48,439	\$ 48,439	\$ 48,439	\$ 48,439	\$ 48,439	\$ 48,439	\$ 43,108	\$ 48,439
(+) Liability Balance Transfer from DPS	-	-	-	-	-	-	-	-	-	-	-	-	-
(-) TIP, Legal, And Workers' Compensation Claims	-	-	-	-	-	-	-	-	-	-	(5,331)	(2,269)	(7,600)
Ending Balance	48,439	48,439	48,439	48,439	48,439	48,439	48,439	48,439	48,439	48,439	43,108	40,839	40,839
Grand Total	\$ 129,459	\$ 125,285	\$ 112,795	\$ 121,510	\$ 112,253	\$ 137,740	\$ 146,229	\$ 150,779	\$ 176,788	\$ 178,028	\$ 195,388	\$ 188,867	\$ 188,867

Forecast includes actuals through June 01, 2018.

(1)) Transfer from DPS in May includes the surplus of the amount transferred to DPS to cover taxes related to the 3% payroll reimbursement compared to the amount actually paid by DPS. About \$45K of the transfer amount is related to grant funds previously received from DPS but meant for DPSCD.

(2)) Miscellaneous receipts in May consist primarily of a \$5.3M drawdown for Legal, Worker's Comp, and TIP payments, \$577K of remote deposits, \$197K due to grant transfer timing, and \$89K of JROTC.

(3)) Transfers to DPS includes a \$5.3M and a \$178K transfer to DPS in March and April, respectively. The \$5.3M transfer is to cover the employer related taxes associated with \$28.9M in salaries for District employees previously withheld by the State. The \$178K transfer relates to the reimbursement of Legal, Worker's Comp, and TIP payments made by DPS on behalf of DPSCD.

DPSCD FY 2019 monthly cash flows

\$ in thousands

	2018						2019						FY 19 Total
	July	August	September	October	November	December	January	February	March	April	May	June	
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
Cash Receipts													
State Aid	\$ 39,097	\$ 39,097	\$ -	\$ 39,545	\$ 39,545	\$ 39,545	\$ 39,545	\$ 39,545	\$ 39,545	\$ 39,545	\$ 39,545	\$ 39,545	\$ 434,094
MPERS (State Funded)	2,983	2,983	-	-	5,967	2,983	2,983	2,983	2,983	2,983	2,983	2,983	32,816
Enhancement Millage	1,152	1,086	2,272	3,569	3,243	1,742	320	2,229	2,831	-	11	-	18,455
Grants	12,163	17,614	15,197	15,197	15,923	20,941	14,182	14,182	14,182	14,182	15,670	14,182	183,614
Transfer from DPS	-	13,100	-	-	-	-	-	-	-	-	-	6,900	20,000
WCRESA	-	-	4,209	4,209	4,209	4,209	4,209	4,209	4,209	4,209	4,209	4,209	42,089
Food Service Reimbursement	330	4,392	3,241	3,241	4,051	3,241	4,051	3,241	3,241	3,241	4,051	3,241	39,564
Miscellaneous	941	1,092	23,941	941	1,092	2,941	1,092	941	2,941	941	1,092	2,941	40,894
Total Cash Receipts	56,665	79,364	48,860	66,701	74,030	75,601	66,382	67,330	69,931	65,100	67,561	74,000	811,527
Cash Disbursements													
MPERS (Pass through)	\$ (2,983)	\$ (2,983)	\$ (2,983)	\$ -	\$ -	\$ (5,967)	\$ (2,983)	\$ (2,983)	\$ (2,983)	\$ (2,983)	\$ (2,983)	\$ (2,983)	\$ (32,816)
Payroll Direct Deposit	(14,085)	(21,127)	(27,711)	(14,714)	(14,714)	(14,714)	(25,214)	(14,809)	(14,809)	(14,809)	(14,809)	(14,809)	(206,326)
Taxes	(5,402)	(5,402)	(10,364)	(5,642)	(8,463)	(5,642)	(5,678)	(5,678)	(5,678)	(5,678)	(8,517)	(5,678)	(77,822)
FICA	(1,579)	(1,579)	(3,071)	(1,649)	(2,474)	(1,649)	(1,660)	(1,660)	(1,660)	(1,660)	(2,490)	(1,660)	(22,788)
Accounts Payable	(19,000)	(23,750)	(14,167)	(14,167)	(17,709)	(14,167)	(17,709)	(14,167)	(14,167)	(14,167)	(17,709)	(14,167)	(195,047)
Pension (employee portion)	(1,913)	(1,833)	(1,839)	(3,629)	(2,888)	(1,926)	(1,932)	(1,938)	(1,938)	(1,938)	(2,907)	(1,938)	(26,619)
Pension (employer portion)	(6,000)	(5,822)	(5,835)	(6,101)	(9,152)	(6,101)	(6,120)	(6,139)	(6,139)	(6,139)	(9,209)	(6,139)	(78,899)
Health	(4,238)	(6,357)	(4,427)	(4,427)	(4,427)	(4,427)	(6,684)	(4,456)	(4,456)	(4,456)	(4,456)	(4,456)	(57,268)
Fringe Benefits	(448)	(671)	(468)	(468)	(468)	(468)	(706)	(471)	(471)	(471)	(471)	(471)	(6,049)
Food Service	(2,339)	(2,923)	(2,339)	(2,339)	(2,923)	(2,339)	(2,923)	(2,339)	(2,339)	(2,339)	(2,923)	(2,339)	(30,403)
Transfer to DPS	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	(1,400)	(1,750)	(1,400)	(1,400)	(1,750)	(1,400)	(1,750)	(1,400)	(1,400)	(1,400)	(1,750)	(1,400)	(18,199)
Total Cash Disbursements	(59,386)	(74,197)	(74,604)	(54,536)	(64,968)	(58,799)	(73,359)	(56,040)	(56,040)	(56,040)	(68,225)	(56,040)	(752,236)
Net Cash Flow	(2,721)	5,167	(25,744)	12,166	9,062	16,802	(6,977)	11,289	13,891	9,060	(663)	17,960	59,292
Beginning Cash Balance	148,028	145,307	150,474	124,730	136,896	145,957	162,759	155,782	167,071	180,962	190,022	189,359	148,028
Net Cash Flow	(2,721)	5,167	(25,744)	12,166	9,062	16,802	(6,977)	11,289	13,891	9,060	(663)	17,960	59,292
Ending Cash Balance	\$ 145,307	\$ 150,474	\$ 124,730	\$ 136,896	\$ 145,957	\$ 162,759	\$ 155,782	\$ 167,071	\$ 180,962	\$ 190,022	\$ 189,359	\$ 207,319	\$ 207,319
Memo:													
Internal Service Fund and Fiduciary Account													
Beginning Balance	\$ 40,839	\$ 40,839	\$ 40,839	\$ 17,839	\$ 17,839	\$ 17,839	\$ 15,839	\$ 15,839	\$ 15,839	\$ 13,839	\$ 13,839	\$ 13,839	\$ 40,839
(+) Liability Balance Transfer from DPS	-	-	-	-	-	-	-	-	-	-	-	-	-
(-) TIP, Legal, And Workers' Compensation Claims	-	-	(23,000)	-	-	(2,000)	-	-	(2,000)	-	-	(2,000)	(29,000)
Ending Balance	40,839	40,839	17,839	17,839	17,839	15,839	15,839	15,839	13,839	13,839	13,839	11,839	11,839
Grand Total	\$ 186,146	\$ 191,313	\$ 142,569	\$ 154,734	\$ 163,796	\$ 178,598	\$ 171,621	\$ 182,910	\$ 194,801	\$ 203,861	\$ 203,198	\$ 219,158	\$ 219,158

Contracts





STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

DETROIT FINANCIAL REVIEW COMMISSION

SCHOOL DISTRICT RESOLUTION 2018-20

**APPROVING THE COMMUNITY DISTRICT'S JULY 2018 CONTRACT
REQUESTS**

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 2016; and

WHEREAS, Section 6(6) of the Act provides that during the period of oversight, the Commission review and approve the Community District's applicable contracts, as defined by Section 3(a) of the Act, and that an applicable contract does not take effect unless approved by the Commission; and

WHEREAS, at the Commission meeting on July 30, 2018, the Community District presented applicable contracts, attached as **Exhibit A** to this Resolution, for the Commission's review and approval.

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

1. That the Community District's July 2018 contract requests, attached as **Exhibit A** to this Resolution but excluding any contracts a majority of Commission members present has agreed to exclude as noted in the minutes, are hereby approved.
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.

Contract Requests ,

The following contracts are being provided to the Financial Review Commission (“FRC”) for review and approval. Contracts over \$750,000 or a two (2) year period must also be provided to the FRC for review and approval pursuant to section 6(6) of the Michigan Financial Review Commission Act. Please review the individual Action Items provided for more detailed information.

	Department	Contract Number	Description	Contract Request Type	Competitively Bid? If not a new contract, was the original contract competitively bid?	Lowest Bid? If not a New Contract, was the original contract the lowest bid?	DPSCD Approval Date	Comments						
1	Information & Technology	19-0058	Contract Amount: \$830,346 Contract Period: July 30, 2018 – June 30, 2019 Source: General Funds Purpose: Support for the student information system, MISTAR, and pupil accounting functions Contractor: Wayne Regional Education Service Agency (Wayne RESA) Location: 33500 Van Born Rd. Wayne, MI 48184	Increase	N/A	N/A	Anticipated Approval Board 07.10.2018 FRC 07.30.2018	<p>In June 2018, the Board approved the renewal of the student information system, MISTAR, for FY19 for \$552,486. This request increases the originally approved amount by \$277,860 for additional services required from Wayne RESA.</p> <p>Wayne RESA owns the MISTAR student information system and has subcontracted with LaJa Consulting, LLC and Aequitas to support the District with core systems administration and pupil accounting functions. This request is to pay for those consulting services for the 18-19 school year in the amount of \$277,860.</p> <p>This increase results in a total contract value of \$830,346 in services to be provided by Wayne RESA for FY19.</p>						
2	Curriculum & Instruction	18-0073	Contract Amount: \$831,696 Contract Period: July 30, 2018 – June 30, 2019 Source: Grant Funds Purpose: Online reading support for students 9-12 Contractor: Achieve 3000 Location: 1985 Cedar Bridge Ave. Ste. 3 Lakewood, NJ 08701	New	Yes	No	Anticipated Approval Board 07.10.2018 FRC 07.30.2018	<p>During April 2018, RFP 18-0073 was issued via DemandStar for a blended learning literacy program and six responses were received. Respondents scoring below 70 points did not move forward for further consideration. Though Edgenuity was the lowest cost source, their proposal did not support Common Core State Standards for ELA/Literacy. Upon further discussion with the vendor, it was discovered that the Edgenuity offering was more similar to a course recovery program versus a blended learning program, therefore they were not selected.</p> <table><tr><td><i>Respondent</i></td><td><i>Score</i></td></tr><tr><td>Achieve 3000</td><td>82</td></tr><tr><td>Edgenuity</td><td>70</td></tr></table>	<i>Respondent</i>	<i>Score</i>	Achieve 3000	82	Edgenuity	70
<i>Respondent</i>	<i>Score</i>													
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Contract Requests ,

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	Department	Contract Number	Description	Contract Request Type	Competitively Bid? If not a new contract, was the original contract competitively bid?	Lowest Bid? If not a New Contract, was the original contract the lowest bid?	DPSCD Approval Date	Comments										
3	Curriculum & Instruction	NA	Contract Amount: \$1,200,000 Contract Period: July 30, 2018 – June 30, 2019 Source: Title Funds Purpose: Classroom Libraries Contractor: Scholastic, Inc. Location: 2931 E. McCarty St. Jefferson City, MO 65102	New	Yes	Yes	Approval Board 07.10.2018 FRC 07.30.2018	In May 2018 RFP 19-0016 was issued via DemandStar and received four responses. Based on evaluation of the proposals, Scholastic was selected as the supplier providing the largest volume of text, at the lowest cost per book. As this item is for goods only, a PO will be provided to the vendor for the goods once FRC approval is obtained. <table><tr><td><i>Respondent</i></td><td><i>Score</i></td></tr><tr><td>Scholastic</td><td>92</td></tr><tr><td>ARC</td><td>80</td></tr><tr><td>Open Up</td><td>77</td></tr><tr><td>Mackin</td><td>74</td></tr></table>	<i>Respondent</i>	<i>Score</i>	Scholastic	92	ARC	80	Open Up	77	Mackin	74
<i>Respondent</i>	<i>Score</i>																	
Scholastic	92																	
ARC	80																	
Open Up	77																	
Mackin	74																	
4	Academics	19-0044	Contract Amount: \$1,000,000 Contract Period: August 1, 2018 – June 30, 2019 Source: Title Funds Purpose: Intervention Services Contractor: City Year Location: 287 Columbus Ave. Boston, MA 02116	Renewal	No	NA	Approval Board 07.10.2018 FRC 07.30.2018	City Year is an education focused, nonprofit organization that unites AmeriCorps members of all backgrounds for a year of full-time service with students to keep them in school and on track to graduate. City Year's vision is to implement research based strategies that reduce the number of dropouts by leveraging the talent and energy of corps members to serve as tutors, mentors, and role models in schools to help students stay on track, get back on track, and graduate. This service, utilizing AmeriCorps members is not offered by any other organization, therefore, they are the sole provider. Further, the program is subsidized by donations to the organization.										

Contract Requests ,

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	Department	Contract Number	Description	Contract Request Type	Competitively Bid? If not a new contract, was the original contract competitively bid?	Lowest Bid? If not a New Contract, was the original contract the lowest bid?	DPSCD Approval Date	Comments														
5	Academics	19-0012-C	Contract Amount: \$5,100,000 Contract Period: September 1, 2018 – August 31, 2019 Source: General Funds Purpose: Security service at schools Contractor: Securitas Location: 6000 Feldwood Rd. College Park, GA 30349	New	Yes	No	Approval Board 07.10.2018 FRC 07.30.2018	Securitas has provided security services to the District since 2015 and will provide security services to 96 schools for the 2018-2019 school year. In April 2018, the District issued Request for Proposal #19-0012, to obtain proposals to provide security services and six proposals were received. While not the lowest bidder, the Evaluation Committee concluded that Securitas should continue to provide security services to the District. The decision was based on their ability to service a school district the size of DPSCD as well as their experience with the District’s diverse student population. <table><tr><td><u>Respondent</u></td><td><u>Score</u></td></tr><tr><td>Securitas</td><td>91</td></tr><tr><td>DM Burr</td><td>88</td></tr><tr><td>Prudential Security</td><td>86</td></tr><tr><td>Advance Security</td><td>75</td></tr><tr><td>Contemporary Services Corp.</td><td>62</td></tr><tr><td>LGC</td><td>57</td></tr></table>	<u>Respondent</u>	<u>Score</u>	Securitas	91	DM Burr	88	Prudential Security	86	Advance Security	75	Contemporary Services Corp.	62	LGC	57
<u>Respondent</u>	<u>Score</u>																					
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6	Transportation	11-0100-2 15-0238-C 15-0239-C	Contract Amount: \$33,049,108 Contract Period: September 1, 2018 – August 31, 2019 Source: General Funds, Title Funds, and 31A Funds Purpose: Student Bus Transportation Contractor: ABC, Trinity, DHT Location: 12680 Westwood Detroit, MI 48223 4624 13th Wyandotte, MI 48192 5150 Rosa Parks Blvd. Detroit, MI 48208	Renewal	Yes	No	Anticipated Approval Board 07.10.2018 FRC 07.30.2018	In February 2015, RFP 15-0123-C was posted to Demandstar. A total of 686 vendors were notified, six responses were received, and contracts were signed with four vendors. The contract with the fourth vendor, Safeway Transportation, was terminated in 2017 due to a lapse in insurance coverage. At the time of original vendor selection, Mari Tours was the lowest cost bidder. It was not issued a contract due to its size and lack of experience. Mari only had five years of experience versus the other vendors who had been in business 20+ years. Further, it was a small firm and did not have experience servicing an entire district, only with specific schools. The four other vendors who were issued contracts were the next lowest cost submissions.														

Contract Requests ,

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	Department	Contract Number	Description	Contract Request Type	Competitively Bid? If not a new contract, was the original contract competitively bid?	Lowest Bid? If not a New Contract, was the original contract the lowest bid?	DPSCD Approval Date	Comments												
7	Facilities	19-0025-C	Contract Amount: \$1,000,000 Contract Period: July 30, 2018 – June 30, 2019 Source: General Funds and Capital Projects Fund Purpose: Paving Services Contractor: City Contracting Services Location: 132 N. Old Woodward Birmingham, MI 48009	New	Yes	Yes	Anticipated Approval Board 07.10.2018 FRC 07.30.2018	In May 2018, RFP #19-0025 was issued via DemandStar and 117 companies were notified of the RFP. The District received five responses. Based on evaluation of the proposals, City Contracting Services was selected as the supplier providing the highest value at the lowest cost. <table><tr><td><u>Respondent</u></td><td><u>Score</u></td></tr><tr><td>City Contracting Services</td><td>92</td></tr><tr><td>Gibraltar</td><td>90</td></tr><tr><td>Ben’s Electric</td><td>87</td></tr><tr><td>PGA</td><td>49</td></tr><tr><td>Nagle</td><td>Proposal incomplete</td></tr></table>	<u>Respondent</u>	<u>Score</u>	City Contracting Services	92	Gibraltar	90	Ben’s Electric	87	PGA	49	Nagle	Proposal incomplete
<u>Respondent</u>	<u>Score</u>																			
City Contracting Services	92																			
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8	Facilities	18-0005-C	Contract Amount: \$1,370,000 Contract Period: November 15, 2017 - November 30, 2018 Source: General Funds Purpose: Landscaping, and Snow & Ice Removal Contractor: Premier Group Associates (PGA) Location: 535 Griswold Detroit, MI 48226	Increase	Yes	Yes	Anticipated Approval Board 07.10.2018 FRC 07.30.2018	This request is to increase the existing contract by \$370,000 bringing the total contract to \$1,370,000. The original contract for \$1,000,000 was based on prior year weather conditions. Driven by increased snowfall, this year’s weather has lead to higher than anticipated costs. In August of 2017, RFP 17-0134-C was issued on DemandStar and received five responses. Though DM Burr was the lowest cost for snow, they were not for landscaping. Further, DM Burr would have subcontracted the entire snow removal service. Premier Group Associates (who was second lowest in snow and lowest in landscaping) was selected along with Payne Landscaping. <table><tr><td><u>Respondent</u></td><td><u>Score</u></td></tr><tr><td>PGA</td><td>90</td></tr><tr><td>Payne</td><td>70</td></tr><tr><td>DM Burr</td><td>55</td></tr><tr><td>One Stop Property Maintenance</td><td>Proposal incomplete</td></tr><tr><td>RNA</td><td>Proposal incomplete</td></tr></table>	<u>Respondent</u>	<u>Score</u>	PGA	90	Payne	70	DM Burr	55	One Stop Property Maintenance	Proposal incomplete	RNA	Proposal incomplete
<u>Respondent</u>	<u>Score</u>																			
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Contract Requests ,

The following contracts are being provided to the Financial Review Commission (“FRC”) for review and approval. Contracts over \$750,000 or a two (2) year period must also be provided to the FRC for review and approval pursuant to section 6(6) of the Michigan Financial Review Commission Act. Please review the individual Action Items provided for more detailed information.

	Department	Contract Number	Description	Contract Request Type	Competitively Bid? If not a new contract, was the original contract competitively bid?	Lowest Bid? If not a New Contract, was the original contract the lowest bid?	DPSCD Approval Date	Comments
9	IT	16-0345-C	Contract Amount: \$1,071,450.00 Contract Period: July 1, 2018 – June 30, 2019 Source: General and Grant Funds Purpose: Interactive technology device installation Contractor: Learning Consultants, Inc. (LCI) Location: 17601 James Couzens, Detroit, MI 48235	Increase	Yes	Yes	Anticipated Approval Board 07.10.2018 FRC 07.30.2018	<p>The District seeks to expand the 1:1 Initiative to include Schulze Academy for Technology and Arts. This results in an increase of \$19,500 over the original amount of \$1,051,950 which was approved by the Board and FRC in June of 2018.</p> <p>The District put out RFP 16-0345 in August of 2016 garnering two responses, LCI and Direct Internet. Both respondents were awarded the business due to the amount of work needed in the District. Contracts were signed for a three-year term, expiring June 2019.</p> <p>This request is to increase the contract value. The District is focusing on increasing technology access in schools, and this amount includes the installation of 548 SMART interactive television-size monitors in 23 schools.</p>
10	IT	071B6600111	Contract Amount: \$3,997,728.00 Contract Period: July 1, 2018 – June 30, 2019 Source: Grant Funds Purpose: To purchase interactive Smart flat panel TVs and carts Contractor: Tierney Brothers Interactive Technology Location: 3300 University Ave. Minneapolis, MN 55414	Cooperative	N/A	N/A	Anticipated Approval Board 07.10.2018 FRC 07.30.2018	<p>The District seeks to expand the 1:1 Initiative to include Schulze Academy for Technology and Arts. This results in an increase of \$242,917 over the original amount of \$3,754,811 which was approved by the Board and FRC in June of 2018.</p> <p>The purchase of these interactive technology products is part of the District’s One-to-One (1:1) Technology Initiative. This purchase provides 548 Smart flat panel TVs and TV carts across 23 schools.</p> <p>This co-operative contract (REMC) was bid through an authorized lead agency in compliance with Michigan statutes.</p>

Contract Requests ,

The following contracts are being provided to the Financial Review Commission (“FRC”) for review and approval. Contracts over \$750,000 or a two (2) year period must also be provided to the FRC for review and approval pursuant to section 6(6) of the Michigan Financial Review Commission Act. Please review the individual Action Items provided for more detailed information.

	Department	Contract Number	Description	Contract Request Type	Competitively Bid? If not a new contract, was the original contract competitively bid?	Lowest Bid? If not a New Contract, was the original contract the lowest bid?	DPSCD Approval Date	Comments
11	IT	071B6600111	Contract Amount: \$12,862,740 [(\$9,072,810+\$378,652) + \$3,411,278] Contract Period: July 1, 2018 – June 30, 2019 Source: Grant Funds Purpose: To purchase Dell student laptops and laptop carts Contractor: Dell Location: One Dell Way, MS RR1-33 Round rock, TX 78682	Cooperative	N/A	N/A	Anticipated Approval Board 07.10.2018 FRC 07.30.2018	<p>The District seeks to expand the 1:1 Initiative to include Schulze Academy for Technology and Arts. This results in an increase of \$378,652 over the original amount of \$9,072,810 for student laptops which was approved by the Board and FRC in June.</p> <p>The purchase of these laptops and carts is part of the District’s One-to-One (1:1) Technology Initiative. This purchase provides 16,256 laptops and 585 carts across 23 schools.</p> <p>Additionally, in June, the Board and FRC approved a separate action item for Dell for \$3,411,278 to fund teacher and administrator laptops. This results in \$12,862,740 for the total contracts to Dell across both action items.</p> <p>This co-operative contract (REMC) was bid through an authorized lead agency in compliance with Michigan statutes.</p>
12	Academics	NA	Contract Amount: ~\$1,500,000 REVENUE Contract Period: July 1, 2018 – June 30, 2019 Source: State Aid, Wayne Special Education Funds, Highland Park Reimbursement Purpose: To renew the Cooperative Education Program Agreement with the City of Highland Park Contractor: Highland Park School District Location: 12360 Woodward Avenue, Highland Park, MI 48203	Renewal	N/A	N/A	Anticipated Approval Board 07.10.2018 FRC 07.30.2018	<p>Highland Park does not currently operate any schools. All students living within the boundaries of Highland Park must either attend public school academies or public schools in neighboring districts. The District has been servicing Highland Park high school students since 2015-2016 and, for the 2017-2018 school year, added services to children age 0-6 who require early intervention services.</p> <p>The District will receive 100% of the State Aid and special education grant funding for the education of these students directly from the state and the county. In addition, the District may bill Highland Park for any additional services provided by the District to the students, such as transportation.</p>

Capital Projects Budget '



Capital Projects - Update '

School Name	Project Description	Estimated Start Date	Estimated End Date	Funding Source	Amount
Cass Technical High School	Parking Lot	8/1/18	8/30/18	State Transition Funds	\$400,000
Cass Technical High School	Replacement of Football Field and Move of Bleachers	TBD		State Transition Funds	\$1,500,000
Cass Technical High School	HVAC Overhaul	9/30/18	2/28/19	Bond Settlement	\$700,000
Central High School	Partial Roof Replacement (Clay roof)	TBD		EAA Funds	\$350,000
Dixon Elementary School	One (1) Burner Replacement	7/30/18	8/15/18	State Transition Funds	\$30,000
Henry Ford High School	Roof and Floor Repairs (Over Gymnasium)	6/1/18	6/7/18	EAA Funds	\$375,000
Mumford High School	Football Field Sinkhole	TBD		EAA Funds	\$75,000
Noble Elementary School	Playground OCR Transition Plan (Mulch and Paving)	7/1/18	7/31/18	State Transition Funds	\$50,000
Noble Elementary School	Roof Replacement	7/12/18	8/15/18	State Transition Funds	\$500,000
Golightly Educational	Boiler Replacement	TBD		State Transition Funds	\$110,000
Palmer Park Preparatory Academy	Roof Replacement	7/9/18	8/20/18	State Transition Funds	\$1,120,000
Palmer Park Preparatory Academy	Painting/Ceiling/Floors	7/20/18	8/30/18	State Transition Funds	\$100,000
Catherine Ferguson	Painting/Ceiling/Floors	7/20/18	8/30/18	State Transition Funds	\$100,000
Marcus Garvey	Roof Replacement	7/12/18	8/30/18	State Transition Funds	\$1,375,000
Dixon Elementary School	Roof Replacement	6/29/18	8/30/18	State Transition Funds	\$935,000
Ann Arbor Trail	Roof Replacement	7/23/18	8/30/18	State Transition Funds	\$385,000
Henderson Academy	Roof Replacement	7/1/18	8/1/18	State Transition Funds	\$920,000
A.L. Holmes	Roof Replacement	7/20/18	8/30/18	State Transition Funds	\$935,000
Southeastern	Gymnasium Bleacher Replacement	8/1/18	8/30/18	EAA Funds	\$65,000
Total					\$10,025,000



Appendix

Board Agenda Items





Agenda Item Details

Meeting	Jul 10, 2018 - Regular Board Meeting
Category	14. Administrative Action Items
Subject	14.06 Approval of Renewal Contract with Wayne RESA for Student Information System Support Services
Access	Public
Type	Action
Recommended Action	Motion to approve the renewal contract with Wayne RESA for student information system support services

Public Content

Recommendation:

That the School Board approve the renewal of services provided by Wayne Regional Educational Service Agency ("Wayne RESA") under a reduced scope of services in an amount not to exceed (NTE) \$277,834, to continue to provide support for the student information system, MISTAR, and pupil accounting functions from July 1, 2018 to June 30, 2019.

Description and Background:

This action item was recommended for approval at the June 22, 2018 Finance Committee Meeting.

Wayne RESA is a regional educational service agency that provides broad consortium-level services and support to Wayne County's 33 school districts to maximize economies of scale in staff development, purchasing, and administrative services. In addition, Wayne RESA owns the MISTAR student information system and has subcontracted with LaJa Consulting, LLC and Aequitas to support the District with core systems administration and business process functions.

The District contracted with Wayne RESA in 2009 to support its migration to the MISTAR student system with the intention of transitioning core functions back to the District over time. To date, Wayne RESA continues to provide support with systems administration and customization, state and federal reporting, and school-level staff training on use of the MISTAR system. In previous years, Wayne RESA subcontracted with LaJa Consulting, LLC, and Aequitas to deliver these services.

Gap Analysis:

The renewal before the School Board seeks to extend and reduce the District's reliance on contracted services from July 1, 2018 to June 30, 2019. Wayne RESA and subcontracted staff fill-in key roles and functions the District should own and manage, including administration of the student information system, training of school-level staff, providing help desk support, and customizing the system to support District processes. As the District moves to in-source core functions, this contract is structured to rely minimally on contracted services and reorient services to develop staff to assume these roles and functions.

Previous Outcomes:

Wayne RESA serves as a trusted, publicly accountable partner in the delivery of its services. In previous years, the District has relied heavily on Wayne RESA and subcontractors to administer the student information system and support core functions. Wayne RESA provided three on-site, full-time staff and three remote, part-time staff. The total cost of Wayne RESA contracted services to provide staff for fiscal year 2017-18 was \$578,178, which included a 5% contingency.

Expected Outcomes:

The District intends to continue use of the MiStar student information system to manage its core student data for the 2018-19 fiscal year. As part of the District's effort to bring core functions back under direct management of District employees, this contract has limited contracted services. Wayne RESA will provide support staff and assistance as needed.

Alignment to Strategic Plan:

Responsible Stewardship

Financial Impact:

The cost of the reduced scope of services for fiscal year 2018-19 is \$277,834 (General Fund), which includes a 10% contingency.

Contracted Services and Staffing	
Pupil Accounting and Operational Services	55,000
Systems Administration, Help Desk, and Training Support	125,000
Training of District Staff to Assume Core Roles and Functions	72,576
Contingency (10% of total amount)	25,258
Total Amount	\$277,834

On June 12, 2018, the Board approved the renewal of the student information system, MISTAR, for fiscal year 2018-19 for \$552,486. The addition of this renewal would result in a total of \$830,346 in services provided by Wayne RESA for fiscal year 2018-19.

Contact for Item:

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[Wayne RESA_Scope 6 to Master Services Agreement.pdf \(202 KB\)](#)

Administrative Content**Executive Content**

**Agenda Item Details**

Meeting	Jul 10, 2018 - Regular Board Meeting
Category	14. Administrative Action Items
Subject	14.09 Approval of Contract with Achieve3000
Access	Public
Type	Action

Recommended Action Motion to approve the purchase of Achieve 3000 for (9-12) secondary schools.

Public Content**Recommendation:**

That the School Board approve the purchase of Achieve 3000 blended learning literacy program for grades 9-12 in the amount of \$831,696.

Description and Background:

This action item was approved at the June 22, 2018 Finance Committee Meeting.

Achieve 3000 is a blended learning literacy program that provides online differentiated instruction that reaches all students one-on-one, at their reading levels, to accelerate their learning, and improve high-stakes test performance. This platform will offer an initial assessment that begins with a Levelset, the initial assessment establishes a baseline Lexile level for the comprehension of text and has been developed in collaboration with MetaMetrics, Inc., the makers of the Lexile Framework for Reading. The Levelset universal screener is an assessment that measures the student's ability to comprehend informational text and provides a scale score that matches reading ability with text complexity. Score results are used to determine each student's reading level, recommend the appropriate level of text difficulty, and deliver grade appropriate differentiated texts to students. This assessment is delivered three times per year. The reading sections of college entrance exams like the SAT and ACT range in Lexile from approximately 1200 to 1400. These assessments will help teachers and students to understand readiness for these assessments and teachers can plan instructional next steps.

Following each assessment Achieve 3000's adaptive text complexity system automatically matches students to grade-appropriate text, and through a specialized 5-step literacy routine students strengthen literacy skills while building content area knowledge and vocabulary.

Based on a deep understanding of the findings of key research, specifically Reading Between the Lines: What the ACT Reveals about College Readiness in Reading and Effect of Prior Knowledge on Good and Poor Readers' Memory of Text, we understand that the greatest factors that influence student performance on reading comprehension assessments such as PSAT/SAT are the students' abilities to persevere through complex text and their existing knowledge relating to the topic of the text. As a result, Achieve3000's model of delivering complex text to students will assist with increasing our high school students' volume of reading and capacity to read and comprehend complex text by routinely delivering grade appropriate text through a blended learning platform.

Achieve3000 provides:

- Differentiated Instruction: Ensures all students read the same grade appropriate content automatically tailored to their individual reading levels and learning needs, with 12 levels in English and 7 levels in Spanish.
- Blended Learning: Leverages innovative technology to extend teachers and provide more time on task for content-area literacy.
- Embedded Assessments: Improves literacy across the content areas and drives college and career readiness by combining summative and embedded formative assessments with instruction.
- Actionable Data: Provides educators, administrators, and families with real-time reports and dashboards that allow for data-driven decision-making.
- Proven Effective: Achieve3000 is proven effective at accelerating literacy gains for all students. Over 15 years of data show that students using the program two or more times per week over a school year can expect to double their expected reading gains.

Gap Analysis:

For the 18/19 school year the district will continue to use McDougal Littell as the core instructional materials for high school ELA/Literacy. These sunseting materials have a copyright of 2008 and will be replaced for the 19/20 school year following an instructional materials evaluation process like that utilized for the K-8 adoption. While it is necessary to stagger large scale instructional materials adoptions to support quality implementation it is the desire of the district to provide teachers and students with access to more current and relevant complex texts that are aligned with the common core state standards. For this year, Achieve3000 will provide this resource and a common assessment to measure students' overall reading comprehension and growth.

Previous Outcomes:

Grade 11 SAT % proficient 15/16: 29.3 16/17: 31.8

Expected Outcomes:

The district's annual target for an increase in proficiency for Grade 11 SAT ELA is an increase of 2.5%.

Alignment to Strategic Plan:

Outstanding Achievement

Financial Impact:


Total Cost \$831,696

RFP #18-0072 On-Line Reading Support for 9-12 Students was issued on www.demandstar.com and received 6 response(s). Based on evaluation of the proposal, Achieve3000 was selected as the supplier. The results of the evaluators' scoresheets were tabulated by a core evaluation team. The Evaluation Committee came to the consensus that Achieve 3000, based on their proposal, would best meet the District needs for providing on-line reading support for 9-12 students.

The proposal highlighted their strength and ability to be the best qualified vendor with a high rating average of 82 out of 100. Achieve 3000's proposal offers expanded blended learning opportunities and resources to support all students in grades 9-12 with meeting Common Core State Standards (CCSS) in ELA/Literacy. Their platform provides for student acceleration and is designed to build literacy skills across content areas. They have the capability, experience, and competitive pricing to provide the services requested.

Contact for Item:

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[Achieve3000 Contract.pdf \(1,102 KB\)](#)

Administrative Content

**Agenda Item Details**

Meeting	Jul 10, 2018 - Regular Board Meeting
Category	14. Administrative Action Items
Subject	14.11 Approval to Purchase Classroom Libraries from Scholastic Inc for alignment to K-8 EL Education modules
Access	Public
Type	Action
Recommended Action	Motion to approve purchase of classroom libraries from Scholastic Inc for alignment to K-8 EL Education modules

Public Content**Recommendation:**

That the School Board approve the purchase of classroom libraries from Scholastic, Inc. that are aligned topically to the content of K-8 EL Education modules in an amount not to exceed (NTE) \$1,200,000.

Description and Background:

This action item was approved at the June 22, 2018 Finance Committee Meeting.

Beginning in Fall 2018, the District will use the EL Education curriculum for grades K-8. This curriculum provides core texts that are essential to delivering the module lessons. In addition to the core texts, EL Education provides a list of recommended texts for student independent reading.

Through the District's core instructional materials for English Language Arts (ELA)/Literacy, students will be challenged to read complex text to build content knowledge, literacy skills, and academic vocabulary. This methodical approach to reading complex text is important, but students also need to engage in a volume of reading to grow as readers. Students need a lot of text and a variety of text to build important world knowledge, acquire additional academic vocabulary, gain fluency, and master challenging syntax. Students need a volume of reading, to enlarge their world, increase their vocabulary and foster fluency (including texts and books beyond school and classroom assignments). The more you read, the better you read. The better you read, the more you comprehend. The more you comprehend, the higher the achievement. This volume of reading helps students build important world knowledge and acquire additional vocabulary, both of which are critical for reading comprehension. Furthermore, reading of less complex texts can build knowledge and vocabulary on a specific topic leading to access of more

complex texts on the same topic. This will be critical for students as they engage in the core texts from EL Education.

Gap Analysis:

These classroom libraries are necessary for successful implementation of the District adopted ELA/Literacy curriculum. Essential to a high-quality ELA curriculum are three focus areas; foundational skills, close reading of quality complex texts, and volume of reading on relevant topics to build vocabulary and knowledge. Through our adoption of EL Education, we are providing teachers and students with a strong foundational skills program and complex text for close reading. The classroom libraries will provide access to texts for volume of reading.

2582. classroom libraries, we will round out our high-quality curriculum to include volume of reading. Volume of reading is the emphasis placed on the sheer amount of reading students do, both free choice and reading connected in content to the curriculum. Unless students continue to grow their vocabulary and knowledge, they will not be able to understand the complex text demanded of the standards and essential to college and career readiness. There is no better way to develop vocabulary and knowledge, especially with struggling readers, other than consistent opportunities for them to engage in a high volume of reading on a variety of topics at a range of complexities. In order to provide this experience for students, teachers will need access to classroom libraries that contain a variety of texts aligned to the EL Education module topics.

Previous Outcomes:

Previous M-STEP Performance Outcomes in Literacy for the District can be found in the table below:

Essential Metrics	Grade Level	Measure Being Used	Baseline Year	Baseline Availability	Frequency	14-15 SY	15-16 SY	16-17 SY
The percentage of our students who meet state proficiency standards in literacy	3-8	M-STEP	2016-17	Fall 2017	Annual	13.6	11.4	11.4

Expected Outcomes:

With the purchase of classroom libraries teachers will have all of the tools needed to implement the new reading curriculum successfully, teachers are more likely to embrace professional

learning and the highly aligned materials and report higher satisfaction rates in their roles. We expect students to engage in a high volume of reading that includes core texts through close reading with their teacher, independent reading of texts to build their knowledge and vocabulary with the topics explored in each EL Education Modules. Additionally, volume of reading is key in improving student reading achievement, which is an outlined target of our strategic plan for grades K-8.

This will bring more confidence in the District's core curriculum from principals and teachers. This confidence will increase the fidelity of implementation of curriculum materials, which will lead to the raising of student achievement. The District's strategic plan metrics & targets outline an expected 3.46 percentage points increase per year in proficiency.

Alignment to Strategic Plan:

Outstanding Achievement


Financial Impact:

NTE \$1,200,000 funded by Title I Grant Funds.

RFP 19-0016 was issued on Demandstar and received 4 response(s). Based on evaluation of the proposal, Scholastic was selected as the supplier providing the largest volume of text, at lowest cost per book.

Contact for Item:

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[RFP 19-0016 Scholastic Classroom Libraries Contract.pdf \(363 KB\)](#)

Administrative Content

Executive Content

**Agenda Item Details**

Meeting	Jul 10, 2018 - Regular Board Meeting
Category	14. Administrative Action Items
Subject	14.13 Approval of City Year Contract to Provide Intervention Service for Schools
Access	Public
Type	Action
Recommended Action	Motion to approve City Year contract to provide intervention services for schools

Public Content**Recommendation:**

That the School Board approve a contract with City Year to provide intervention services to 10 schools: Bethune, Brenda Scott, Burns, Clark, Durfee, Central, Gompers, Mason, Noble and Osborn for the period September 1, 2018 to July 31, 2019 in an amount not to exceed (NTE) \$1,000,000.

Description and Background:

This action item was approved at the June 22, 2018 Finance Committee Meeting.

City Year is an education focused, nonprofit organization that unites AmeriCorps members of all backgrounds for a year of full-time service with students to keep them in school and on track to graduate. City Year's vision is to implement research based strategies that reduce the number of dropouts by leveraging the talent and energy of corps members to serve as tutors, mentors, and role models in schools to help students stay on track, get back on track, and graduate.

Based on a comprehensive study from Johns Hopkins University, it was determined that students who are most at risk of dropping out of school can be identified as early as middle school through three early warning indicators: attendance, behavior, and course performance in Math and English.

Through school-based Title I funds, Brenda Scott, Burns, Cody, Detroit Collegiate Preparatory at Northwestern, Noble and Osborn implemented City Year during the 2015-2016 school year to support the school's efforts for school based interventions. Brenda Scott, Burns, Noble, Osborn, Bethune, Gompers and Clark continued implementation through the 2016-2017 and 2017-2018 school years. To support the District's effort to provide whole school, focused supports at the required scale and intensity, within reestablished feeder patterns, services will be expanded to also include Mason, Durfee and Central.

Gap Analysis:

The identified schools are partnership schools or schools that could be served as a partnership school, therefore representing schools in the bottom 5%. These schools require additional support in providing students with wraparound services to support improved academics, behavior and attendance. Ninety City Year corp members will be deployed to schools to provide one on one classroom consultant support, academic strategies, parental contact, attendance monitoring and behavioral coaching.

Previous Outcomes:

Data systems across schools were not organized to capture information on the students served by City Year corp members. However, the following data was provided by City Year:

Schools Served	Students Served in School Year 15-16				School Year 15-16			
	Attendance	Behavior	Math	ELA	Attendance	Behavior	Assessment Growth: Math	Assessment Growth: EL
Brenda Scott Academy of Theatre Arts	28	50	84	40	33% growth (N=27)	no data available	41% growth (N=59)	62% growth (N=59)
Burns Elementary-Middle School	28	44	49	53	65% growth (N=17)	no data available	58% growth (N=40)	57% growth (N=40)
Cody; Academy of Public Leadership	26	13	20	19	20% growth (N=15)	50% growth in SEL (N=6)	40% growth (N=10)	47% growth (N=10)
Cody; Detroit Institute of Technology	16	12	13	14	27% growth (N=11)	40% growth in SEL (N=5)	33% growth (N=9)	40% growth (N=9)
Cody; Medicine and Community Health Academy	26	22	25	27	44% growth (N=25)	67% growth in SEL (N=9)	15% growth (N=13)	no data available
Detroit Collegiate Preparatory High School	50	34	37	69	27% growth (N=26)	45% growth in SEL (N=11)	33% growth (N=6)	28% growth (N=6)
Harper Woods MS/HS	39	39	53	42	76% growth (N=21)	59% growth in SEL (N=27)	71% growth (N=21)	76% growth (N=21)
Noble Elementary-Middle School	27	39	48	48	15% growth (N=13)	52% growth in SEL (N=31)	50% growth (N=36)	41% growth (N=36)
Osborn College Preparatory Academy	20	15	13	15	5% growth (N=19)	no data available	33% growth (N=9)	54% growth (N=9)
Osborn Collegiate Academy of MST	24	11	11	15	0% growth (N>10)	no data available	no data available	31% growth (N>10)

Schools Served	Students Served in School Year 16-17				School Year 16-17			
	Attendance	Behavior	Math	ELA	Attendance	Behavior	Assessment Growth: Math	Assessment Growth: EL
Brenda Scott Academy of Theatre Arts	55	58	75	69	60% growth (N=52)	62% growth in SEL (N=47)	39% growth (N=49)	53% growth (N=32)
Burns Elementary-Middle School	40	49	56	62	56% growth (N=36)	61% growth in SEL (N=23)	50% growth (N=44)	71% growth (N=55)
Noble Elementary-Middle School	35	35	64	62	18% growth (N=34)	60% growth in SEL (N=15)	58% growth (N=45)	55% growth (N=55)
Osborn College Preparatory Academy	12	11	14	14	18% growth (N=11)	33% growth in SEL (N>10)	45% growth (N=11)	55% growth (N=11)
Osborn Collegiate Academy of MST	13	16	16	12	0% growth (N>10)	36% growth in SEL (N=11)	67% growth (N>10)	50% growth (N=10)
Osborn Evergreen Academy	16	8	24	24	20% growth (N=15)	60% growth in SEL (N>10)	33% growth (N=15)	50% growth (N=10)
Bethune Elementary-Middle School	24	60	57	58	50% growth (N=24)	43% growth in SEL (N>10)	67% growth (N=18)	83% growth (N=30)
Gompers Elementary-Middle School	31	46	62	62	41% growth (N=29)	85% growth in SEL (N=41)	59% growth (N=49)	81% growth (N=52)

J.E. Clark Preparatory Academy	35	54	56	56	42% growth (N=33)	60% growth in SEL (N=47)	47% growth (N 51)	31% growth (N=49)
Schools Served	Students Served in School Year 17-18				School Year 17-18 *Results as of April 2018			
	Attendance	Behavior	Math	ELA	Attendance	Behavior	Assessment Growth: Math	Assessment Growth: ELA
Brenda Scott Academy of Theatre Arts	35	54	76	56	39% growth (N 31)	69% growth in SEL (N 54)	44% growth (N 70)	39% growth (N 38)
Burns Elementary-Middle School	28	46	62	68	43% growth (N 28)	83% growth in SEL (N 46)	37% growth (N 43)	34% growth (N 44)
Noble Elementary-Middle School	16	49	56	53	37% growth (N=16)	69% growth in SEL (N 48)	44% growth (N 52)	39% growth (N 36)
Osborn High School	49	42	48	60	63% growth (N=41)	60% growth in SEL (N=42)	no data available	no data available
Bethune Elementary-Middle School	29	56	69	66	24% growth (N 29)	65% growth in SEL N 54)	33% growth (N 43)	47% growth (N 38)
Gompers Elementary-Middle School	35	51	50	73	43% growth (N=35)	88% growth in SEL (N 48)	40% growth (N 45)	62% growth (N 58)
J.E. Clark Preparatory Academy	22	45	50	46	59% growth (N=22)	61% growth in SEL (N=38)	40% growth (N=42)	46% growth (N=35)

Expected Outcomes:

- City Year will provide interventions in literacy, math and attendance to targeted District students who fall into the lowest 35% of academic 'achievement and engagement.'
- City Year will enroll targeted students to receive academic interventions for literacy development and targeted students to receive academic 'interventions for math development.'
- 70% of targeted students who receive literacy support will show growth on District based assessments and/or statewide assessments, and City Year's targeted cohort shall be a minimum of 500 targeted students.
- 70% of targeted students who receive math support will demonstrate learning gains on statewide assessments, and City Year's targeted cohort shall be a minimum of 500 targeted students.
- Students who were previously chronically absent will improve by 10%. City Year's targeted cohort shall be a minimum of 500 students.
- City Year shall implement surveys and the data collected shall demonstrate the following anticipated outcomes: that 90% of Principals, Teachers, and
- Students will agree or strongly agree that the services provided helped students in attendance, behavior (discipline), and coursework (academics).

Alignment to Strategic Plan:

Whole Child Commitment
Transformative Culture

Financial Impact:

sge. The total District funding required through Title I funds is an amount NTE \$1,000,000. This a sole source vendor with no bid required.

Contact for Item:

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[19-0044 City Year Contract 19FY.pdf \(560 KB\)](#)

[Attachment A - City Year Pricing 19FY.pdf \(119 KB\)](#)

Administrative Content**Executive Content**

**Agenda Item Details**

Meeting	Jul 10, 2018 - Regular Board Meeting
Category	14. Administrative Action Items
Subject	14.15 Approval of Securitas, Inc. Contract to Provide Security Personnel for Schools
Access	Public
Type	Action
Recommended Action	Motion to approve Securitas, Inc. contract to provide security personnel for schools

Public Content**Recommendation:**

That the School Board approve the contract with Securitas, Inc. ("Securitas") to provide security personnel to schools for the period of September 1, 2018 to August 31, 2019 in an amount Not-To-Exceed ("NTE") \$5,100,000.

Description and Background:

This action item was approved at the June 22, 2018 Finance Committee Meeting.

In December 2017, the Board approved a six month contract with Prudential and Securitas to provide security services to schools with a rebid requirement for the fall. Prudential was the security provider for the former Education Achievement Authority schools and continuing their services through the end of the school year was the least disruptive plan. After a review of the proposals submitted through the bid process, Securitas was recommended to provide contracted services for the entire District moving forward.

Gap Analysis:

Securitas has worked strategically with staff to stabilize the school environment. Currently, Securitas provides 166 security personnel to 95 schools. Entering into a new agreement with the provider was based on quality of proposal, ability to recruit and retain staff and past performance.

Previous Outcomes:

Securitas has provided security services to the District since 2015. There have been no significant concerns in service quality highlighted by staff familiar with their services. Through April 2018, Securitas billed \$4,575,989 for the servicing of 95 schools. Annualized, this is a cost of \$5,065,232.

Expected Outcomes:

Securitas will provide security services to 96 schools for the 2018-2019 school year and will meet the contractual requirements as outlined in the agreement.

Alignment to Strategic Plan:

Transformative Culture

Financial Impact:

\$5,100,000 from General Funds.

Bid Process: The District issued Request for Proposal 19-0012 to obtain suppliers to provide security services. Six proposals were received; Advance Security, Contemporary Services Corporation, D.M. Barr Security Services, LGC, Prudential Security, Securitas. The evaluation committee reviewed six supplier proposals based upon criteria which encompassed supplier background, experience, capability, and cost. The team selected Securitas who, based on their proposal, strongly fit the needs of the District.

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19-0012-C SECURITAS.pdf (3,238 KB)

Administrative Content**Executive Content**

**Agenda Item Details**

Meeting	Jul 10, 2018 - Regular Board Meeting
Category	14. Administrative Action Items
Subject	14.16 Approval of One-Year Renewal Options with Transportation Vendors to Operate Bus Routes for Students
Access	Public
Type	Action
Recommended Action	Motion to approve one-year renewal options with ABC Transportation, DHT Transportation, and Trinity Transportation to operate bus route for students.

Public Content**Recommendation:**

That the School Board approve a one year contract renewal for yellow bus transportation services with (i) ABC Student Transportation Inc. in an amount not to exceed ("NTE") \$18,867,968.14 (227 routes); (ii) DHT Transportation LLC in an amount NTE \$3,648,659.94 (40 routes); and (iii) Trinity Inc. in an amount NTE \$10,532,479.19 (111 routes) for the period September 1, 2018 to August 31, 2019, for a combined total of \$33,049,108.

Description and Background:

This action item was approved at the June 22, 2018 Finance Committee Meeting.

In 2015, the District awarded four contracts to ABC Transportation, DHT Transportation, Safeway Transportation and Trinity Transportation for student transportation with a base period of July 1, 2015 through August 31, 2018 with two one-year options for renewal. These vendors are responsible for supplying all labor, equipment and vehicles.

In 2017, the District terminated its contract with Safeway Transportation based upon Safeway's failure to pay its insurance premium resulting in a lapse in insurance coverage. ABC Transportation assumed the workers of Safeway Transportation, purchased its buses and assumed their routes affording our children continued reliable transportation to school.

Gap Analysis:

The Office of Student Transportation services to up to 16,000 students daily. Although not required by law, the District transports students in grades K-8 who live .75 miles from their neighborhood school from a corner stop to that school. Students in grades 9-12 who live 1.5 miles from their neighborhood school receive bus passes (these passes are subject to a separate purchasing arrangement with the city of Detroit).

For students whose individualized education plans (IEP) require transportation, there is a legal requirement that the District provide these services. This represents the majority of the District's curb-to-curb transportation. In addition, homeless students may be eligible to receive curb-to-curb transportation or may use corner stops to reach their school locations.

Previous Outcomes:

Currently, the District uses these services to transport approximately 15,810 students daily as well as provide students transportation for field trips and athletic trips. Below is a breakdown of the number of students scheduled to receive daily transportation services.

	Curb to Curb	Corner Stop	CTE Shuttle	Total
Student Count	3385	11500	925	15810

Below are the year to date payments made to each vendor and the projected expenditures for the remainder of fiscal year 2017-18.

Payments	Projections	ABC	DHT	Trinity
Total YTD Payments (July 2017-April 2018)		\$12,832,114.41	\$2,025,589.23	\$6,468,284.99
Projected Payments Routes (May/June 2018)		\$2,800,000.00	\$750,000.00	\$2,100,000.00
Projected Payments Field Trips (May/June 2018)		\$500,000.00	\$125,000.00	\$300,000.00
Total Projected 2017-18 Expenditures		\$16,132,114.41	\$2,900,589.23	\$8,868,284.99
Combined Total				\$27,900,988.63

Expected Outcomes:

During fiscal year 2018-2019, the District anticipates that this service will transport approximately 16,000 students on approximately 385 bus routes and provide field trip services for schools as well as athletic events.

Alignment to Strategic Plan:

Responsible Stewardship

Financial Impact:

\$33,049,108 General Funds (Regular school year), Title 1 (Select Field Trips) and 31A (Summer School). Total includes:

- approximate 10% contingency for possible route changes and increases in enrollment (\$2,751,297)

- 2% rate increase based on the aggregate NTE amount of the contract dollar value (\$646,822)
- Enrollment initiatives in support of Detroit School of Arts and Dr. Ben Carson High School of Science and Medicine Shuttle (\$350,000)
- Summer School (2019) (\$700,000)
- Cultural Passport, Camp Burt Shurly and Middle School Athletics (\$700,000)

Bid Process: RFP 15-0123-C was posted to Demandstar in February 2015. A total of 686 vendors were notified and six responses were received. Based on evaluation of the proposal, ABC Transportation, Trinity Transportation, DHT Transportation and Safeway Transportation were selected as the suppliers providing the capability, experience, and financial strength to provide the services requested.

Contact for Item:

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[Bus Transportation Provider 15-0238-C.pdf \(1,415 KB\)](#)[Bus Transportation Provider 15-0239-C.pdf \(1,411 KB\)](#)[Bus Transportation Provider Trinity Renewal Document Contract 15-0238-C 001.pdf \(126 KB\)](#)[Bus Transportation Provider ABC Renewal Document Contract 11-0100-2.pdf \(124 KB\)](#)[Bus Transportation Provider DHT Renewal Document Contract 15-0239-C 001.pdf \(127 KB\)](#)[Bus Transportation Provider Contract 11-0100-2 ABC.pdf \(1,441 KB\)](#)**Administrative Content****Executive Content**

**Agenda Item Details**

Meeting	Jul 10, 2018 - Regular Board Meeting
Category	14. Administrative Action Items
Subject	14.18 Approval of One-Year Contract with City Contracting Services to Conduct District-wide Installation and Repair of Concrete and Asphalt
Access	Public
Type	Action
Recommended Action	Motion to approve one-year contract with City Contracting Services to conduct District-wide installation and repair of concrete and asphalt

Public Content**Recommendation:**

That the School Board approves a one year contract with City Contracting Services to conduct District-wide installation and repair of concrete and asphalt paving in an amount Not-To-Exceed ("NTE") \$1,000,000.

Description and Background:

This action item was approved at the June 22, 2018 Finance Committee Meeting.

City Contracting Services is a full service general contracting firm that specializes in construction management, consulting, design build, and general construction. It is a multi-service firm, registered with the city of Detroit to perform general building services in addition to grounds maintenance and repair. City Contracting Services has been a Michigan-based business since 2013 and its scope of work includes commercial and industrial building projects in addition to specializing in K-12 projects. Its previous work within the District includes renovation of the kitchen and servicing area at Brewer Elementary-Middle School. In 2015 after a vehicle hit the Communications and Media Arts High School building, City Contracting Services restored the brick work on the building, reinstalled the unit ventilators and installed bollards at the direction of the District to prevent future vehicular damages to the school.

City Contracting Services is experienced in the installation of sidewalks, Americans with Disabilities Act (ADA) approved ramps, patching concrete, striping lots, pouring curbs, and other paving related installations. This contract will also be used to install new pavement for the Cass Technical High School student and community parking lot.

Gap Analysis:

Incidents of trip and falls occur within the District. This is partly due to settlement and damage to sidewalks, drives and other paved surfaces having failures due to weathering, age and wear. Also, potholes and paving depressions are responsible for ice formations during winter months. To combat these issues, Operations will prioritize paving renovations using this contracted service to ensure a protected environment for pedestrians to walk and upon which students, staff and visitors can safely drive and park their vehicles.

City Contracting Services can coordinate performance of these services at all needed locations. This eliminates the opportunity for delays due to coordination of multiple contractors with varying levels of expertise and availability. Finally, the firm is a local company that can respond quickly to the District's needs.

Previous Outcomes:

The District has not held a direct contract for paving for many years. All District paving is susceptible to freeze thaw damage, damage from age and constant daily use.

Expected Outcomes:

City Contracting Services will install new paving, paving repairs along with installation of related paving services, for new construction (such as the Cass Technical High School student parking lot), on an as-needed basis, and based on work orders entered by schools and facility providers for this work to be performed.

Alignment to Strategic Plan:

Responsible Stewardship

Financial Impact:

\$1,000,000, General Fund & Capital Projects Fund

Bid Process: RFP 19-0025 was issued on Demandstar and 117 companies were notified of the RFP. The District received five responses: City Contracting Services, Ben's Electric, Premier Group Associates, Nagle Paving and Gibraltar Paving Company for District Wide Asphalt and Concrete Paving, Repairs and Related Paving Services. Based on evaluation of the proposal, City Contracting Services was selected as the supplier providing it has the capability, experience, and competitive pricing to provide the services requested.

Contact for Item:

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[City Contracting - 19-0025 Contract.pdf \(522 KB\)](#)

Administrative Content

Executive Content

**Agenda Item Details**

Meeting	Jul 10, 2018 - Regular Board Meeting
Category	14. Administrative Action Items
Subject	14.20 Approval of an Increase to the Premier Group Associates Contract for Landscaping, Snow and Ice Removal Services
Access	Public
Type	Action
Recommended Action	Motion to approve an increase to the Premier Group Associates contract for landscaping, snow and ice removal services

Public Content**Recommendation:**

That the School Board approves an increase to the contract with Premier Group Associates (PGA) for the period November 15, 2017 through November 30, 2018 from the Not-To-Exceed ("NTE") amount of \$1,000,000 to \$1,370,000 for landscaping, snow, and ice removal services.

Description and Background:

This action item was approved at the June 22, 2018 Finance Committee Meeting.

In November 2017, the Board approved a contract with PGA for landscaping, snow and ice removal services at open and closed District properties. The contract dollar value of NTE \$1,000,000 was based on prior year weather conditions. However, after the contract was awarded, our region experienced heavier than expected snow fall starting in mid-December, with one record snowfall in January. To date, the District has activated the PGA along with the District's other contractor Payne Landscaping, 20 times to address a total of 41" of snow and ice melt applications. Comparatively, DPSCD activated snow contractors 11 times in the entire season of 2016-2017. By this time in 2016-2017, 28 inches of snow had been cleared by DPSCD contracted snow vendors.

Additionally, the PGA contract includes grounds maintenance which is to begin in early April. The PGA scope of work for grounds includes Spring cleanup of debris and litter accumulations over the Winter, turf and fence line maintenance, turf fertilizing, shrub pruning and other related grounds maintenance work. This work cannot be performed without additional funding.

Gap Analysis:

This service contract allows the District to maintain the grounds of the schools and auxiliary locations including athletic fields and other important outdoor environments. If the dollar value of the contract is not increased to \$1,370,000, it would prevent this vendor from completing spring and summer mowing, athletic field maintenance and preparation for middle and high school fall sports, fall clean-up and possible snow removal in November. Proper maintenance of fields is necessary not only to successfully compete, but to conform with MHSAA rules and to prevent or reduce injuries to our student athletes. These landscaping services are needed at the 40 schools along with athletic fields assigned under the PGA contract.

Previous Outcomes:

Since the execution of the contract, the District has been billed \$968,493.83 for snow removal, ice melt application, spring clean-up and regularly scheduled mowing at 80 locations. This amount does not account for the remaining seasonal cuts, fall clean-up and possible snow removal/ice melt application in November 2018.

Expected Outcomes:

The District will continue to utilize the services of PGA to maintain grassy areas, improve curb appeal, clear fence-lines and trim shrubbery at all District owned properties. Also our athletic fields will be maintained to the level necessary for safe play for our student athletes.

The contract provides explicit deliverables. Payment is directly related to individual instances of specific services performed (i.e., a cost per mow, a cost for shrub maintenance). Invoices must demonstrate in specific line items the location, date, and type of service. The Facilities and Operations team does regular site visits to verify work completion prior to remitting payment.

Alignment to Strategic Plan:

Responsible Stewardship

Financial Impact:

\$1,370,000, General Funds

Bid Process: RFP 17-0134-C was issued on Demandstar and received (5) five response(s). Based on evaluation of the proposal, Premier Group Associates was selected along with Payne Landscaping as suppliers for this service based on its capability, experience, and competitive pricing to provide the services requested.

Contact for Item:

Name: Felicia Venable



Agenda Item Details

Meeting	Jul 10, 2018 - Regular Board Meeting
Category	14. Administrative Action Items
Subject	14.08 Approval of District's 1:1 Initiative for Schulze Academy for Technology and Arts
Access	Public
Type	Action
Recommended Action	Motion to approve District's 1:1 Initiative for Schulze Academy for Technology and Arts

Public Content

Recommendation

That the School Board approve an expansion of the District's 1:1 Initiative to Schulze Academy for Technology and Arts at an added cost of \$641,069.

Description and Background

This action item was approved at the June 22, 2018 Finance Committee Meeting.

The District seeks to expand the 1:1 Initiative to Schulze Academy for Technology and Arts. At the June Regular Board Meeting, the Board approved three agenda items that need to be amended in order to expand the program.

June 2018 Board Item	Purchase	Original Amount Approved	Amended Amount
Tierney Brothers, Inc. (14.20)	The District will purchase Epson and SMART brand interactive technology products through REMC Association of Michigan cooperative purchasing agreement.	\$3,754,811.00	\$3,997,728.00
Dell Marking, L.P. (14.21)	The District will purchase Dell student laptops and laptop carts from the state's MiDeal Dell buying cooperative purchasing agreement.	\$9,072,810.00	\$9,451,462.00
		\$1,051,950.00	\$1,071,450.00

Learning Consultants, Inc. (14.13)	The District will expand its contract renewal with LCI to procure installation services. A typo in the June board item indicated that this contract was bid in 2017-18. In fact, the District originally bid the contract in 2016-17 and was exercising a renewal, as stated in the recommendation.		
Totals:		\$13,879,571.00	\$14,520,640.00

Gap Analysis:

Schulze Academy will be a school on the Northwest Detroit bus loop; this investment paired with increased access to transportation should bolster enrollment and help Schulze solidify its identity as a technology focused school community.

Previous Outcomes

The 1:1 technology initiative, piloted at Bagley, Cooke and Nolan during the 2017-2018 school year, reached more than 1,000 students in the District.

Expected Outcomes

The District will expand 1:1 devices to Schulze Academy. The expanded program, funded via one-time Title I funding, will now reach more than 16,000 students.

Strategic Plan Alignment

Responsible Stewardship, Outstanding Achievement

Financial Impact

\$641,069 Title I Grant Funds

Contact for Item

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[Learning Consultants - FULL Contract.pdf \(1,240 KB\)](#)

[Tierney Brothers REMC Cooperative Contract.pdf \(828 KB\)](#)

[MiDeal Dell Coopeative Contract.pdf \(1,216 KB\)](#)

Administrative Content

Executive Content

**Agenda Item Details**

Meeting	Jul 10, 2018 - Regular Board Meeting
Category	14. Administrative Action Items
Subject	14.01 Approval of Entry into a Cooperative Education Program Agreement with the City of Highland Park School District
Access	Public
Type	Action
Recommended Action	Approval of Entry into a Cooperative Education Program Agreement with the City of Highland Park School District

Public Content**Recommendation:**

That the School Board approve entry into a Cooperative Education Program Agreement with the School District of the City of Highland Park for the 2018-2019 school year to provide educational services to Highland Park (i) students in grades 9-12 at Detroit Collegiate Preparatory at Northwestern (approximately 180 students) and (ii) children ages 0-6 years old requiring early intervention services (population size uncertain), at no cost to the District.

Description and Background:

This action item was approved at the June 22, 2018 Finance Committee Meeting.

Highland Park does not currently operate any schools. All students living within the boundaries of Highland Park must either attend public school academies or public schools in neighboring districts. There are no public school academies servicing high school or early intervention age students within Highland Park. In order for the School District of the City of Highland Park to fulfill its duties as a general powers school district, it must have a confirmed location for provision of services to these two age groups.

The District has been servicing Highland Park high school students since 2015-2016 and, for the 2017-2018 school year, added services to children age 0-6 who require early intervention services.

Gap Analysis:

Because the boundaries of Highland Park are contained within the boundaries of the city of Detroit, servicing these students causes minimal disruption to the District while increasing enrollment.

Previous Outcomes:

Reimbursement of services or receipt of state aid has been processed without incident.

Expected Outcomes:

Required educational services will be provided to Highland Park students.

Financial Impact:

The District will receive 100% of the State Aid and special education grant funding for the education of these students directly from the state and the county. In addition, the District may bill Highland Park for any additional services provided by the District to the students, such as transportation.

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[Consent for Cooperative Education Agreement with DPSCD \(1\).pdf \(585 KB\)](#)

Administrative Content**Executive Content**