
a	Financial Update
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DPSCD Financial Update – April 2017

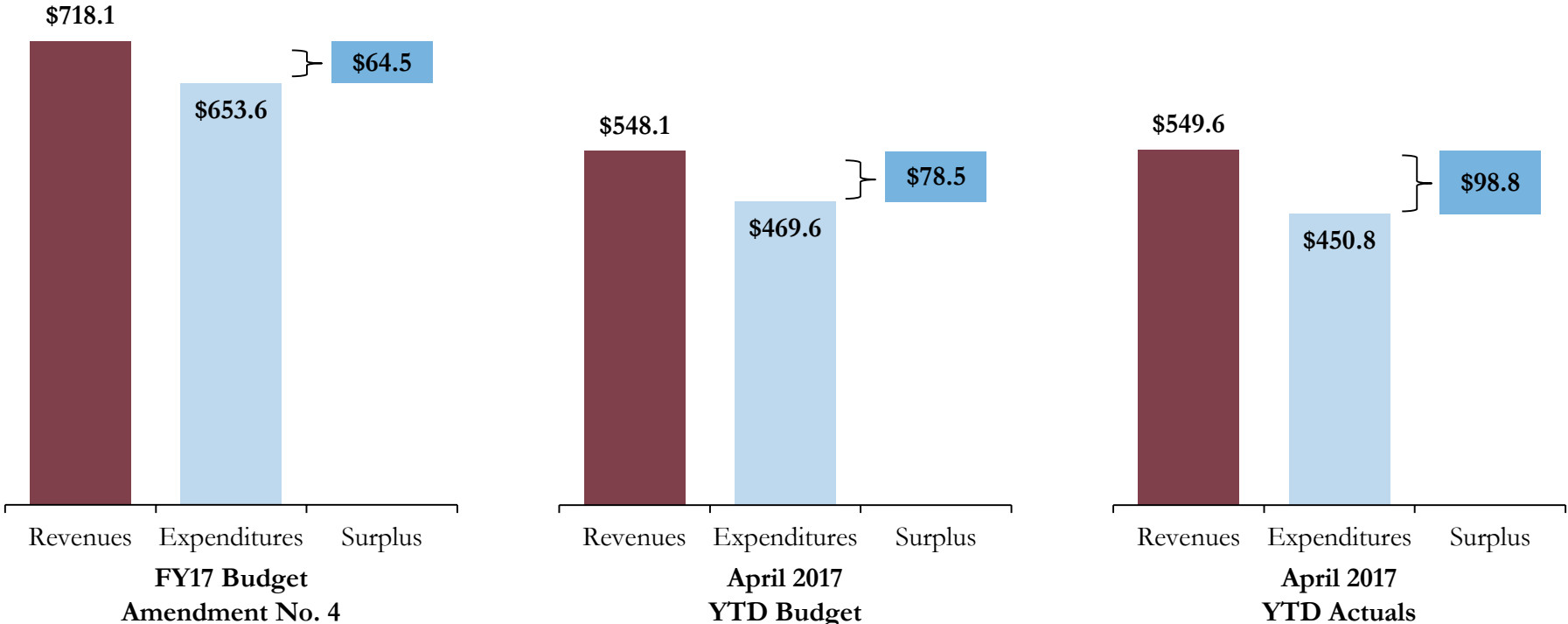
- DPSCD recorded a surplus of revenues over expenditures of \$6M in the month of April 2017 (see p. 5). This was primarily due to the higher than expected revenues from state sources and lower than expected spend on support services.
- DPSCD has recorded a surplus of revenues over expenditures of \$99M through April 2017(see p. 5). The surplus is primarily due to higher revenue resulting from one-time transfers related to the new District legislation along with one-time asset sales, and lower expenditures (lower than expected salaries and benefits spend).
- April 2017 revenues totaling \$52M were \$1M (3%) higher than budgeted revenues (see p. 5) and YTD revenues totaling \$550M were higher \$2M (0%) than budgeted revenues (see p. 5), both primarily due to higher than expected revenues from federal and state sources, offset by less than expected revenues from local sources.
- April 2017 expenditures totaling \$45M were \$6M (11%) lower than budget (see p. 5 and p. 6) and YTD expenditures totaling \$451M were \$19M (4%) lower than budget (see p. 5 and p. 6), both primarily due lower than expected spend on salaries / benefits and support services.
- YTD net cash flow through April 2017 was \$67M (see p. 8 and p. 9), which was \$5M lower than expected primarily due to timing differences in expected revenues and expenditures for the month.
- Net cash flow (\$67M – see p. 11) was lower than revenue surplus (\$99M – see p. 5), mainly due to timing differences between cash and accruals.

April 2017 YTD Financial Summary

- As of April 30, 2017, DPSCD’s YTD revenues were \$550M compared to a budget of \$548M, the difference primarily due to higher than expected revenues from state sources
- As of April 30, 2017, DPSCD’s YTD expenditures were \$451M compared to a budget of \$470M, the difference primarily due to less than expected spend on salaries / benefits and support services

Financial Performance Comparison

\$ in millions



Notes:

Revenues include other financial sources

DPSCD summary statement of revenues and expenditures – budget to actual comparison

	Budget to Actual Comparison Current Month				Budget to Actual Comparison YTD				
	Budget	Actual	Variance		Budget	Actual	Variance		
	Month of	Month of	\$	%	YTD	YTD	\$	%	
	Apr-17	Apr-17			Apr-17	Apr-17			
Revenues									
Local sources ¹	\$ 1,098,415	\$ 873,829	\$ (224,586)	(20%)	\$ 19,399,912	\$ 17,348,328	\$ (2,051,585)	(11%)	
State sources ¹	35,973,943	40,181,757	4,207,814	12%	359,599,188	361,877,221	2,278,033	1%	
Federal sources	11,245,414	9,688,816	(1,556,598)	(14%)	85,300,029	87,555,452	2,255,422	3%	
Interdistrict sources ²	2,067,810	1,027,441	(1,040,369)	(50%)	33,608,304	32,710,834	(897,471)	(3%)	
Other sources	-	(323)	(323)	-	50,149,872	50,149,549	(323)	(0%)	
Total revenues	50,385,582	51,771,521	1,385,939	3%	548,057,306	549,641,384	1,584,077	0%	
Expenditures									
Instruction	26,197,302	25,207,512	(989,790)	(4%)	235,001,039	225,377,781	(9,623,258)	(4%)	
Support services	24,209,865	20,088,700	(4,121,165)	(17%)	232,083,394	223,831,131	(8,252,263)	(4%)	
Community service	592,083	131,793	(460,290)	(78%)	2,423,981	1,496,829	(927,152)	(38%)	
Facilities acquisitions and improvement	-	-	-	-	95,093	95,093	-	0%	
Debt service ³	-	-	-	-	-	-	-	-	
Other uses	-	-	-	-	-	-	-	-	
Total expenditures	50,999,250	45,428,005	(5,571,245)	(11%)	469,603,509	450,800,833	(18,802,673)	(4%)	
Surplus (Deficit)	\$ (613,668)	\$ 6,343,515	\$ 6,957,183	(1134%)	\$ 78,453,798	\$ 98,840,550	\$ 20,386,753	26%	

Notes regarding the impact of the legislation that created DPSCD

1. Reflects \$15m advance of Act 18 funds from WRESA to provide start-up liquidity. Includes revenue for Charter School services and EAA agreement.
2. Includes estimated ending cash balance of DPS as well as \$25m of dedicated transition funds
3. DPSCD no longer has debt service.

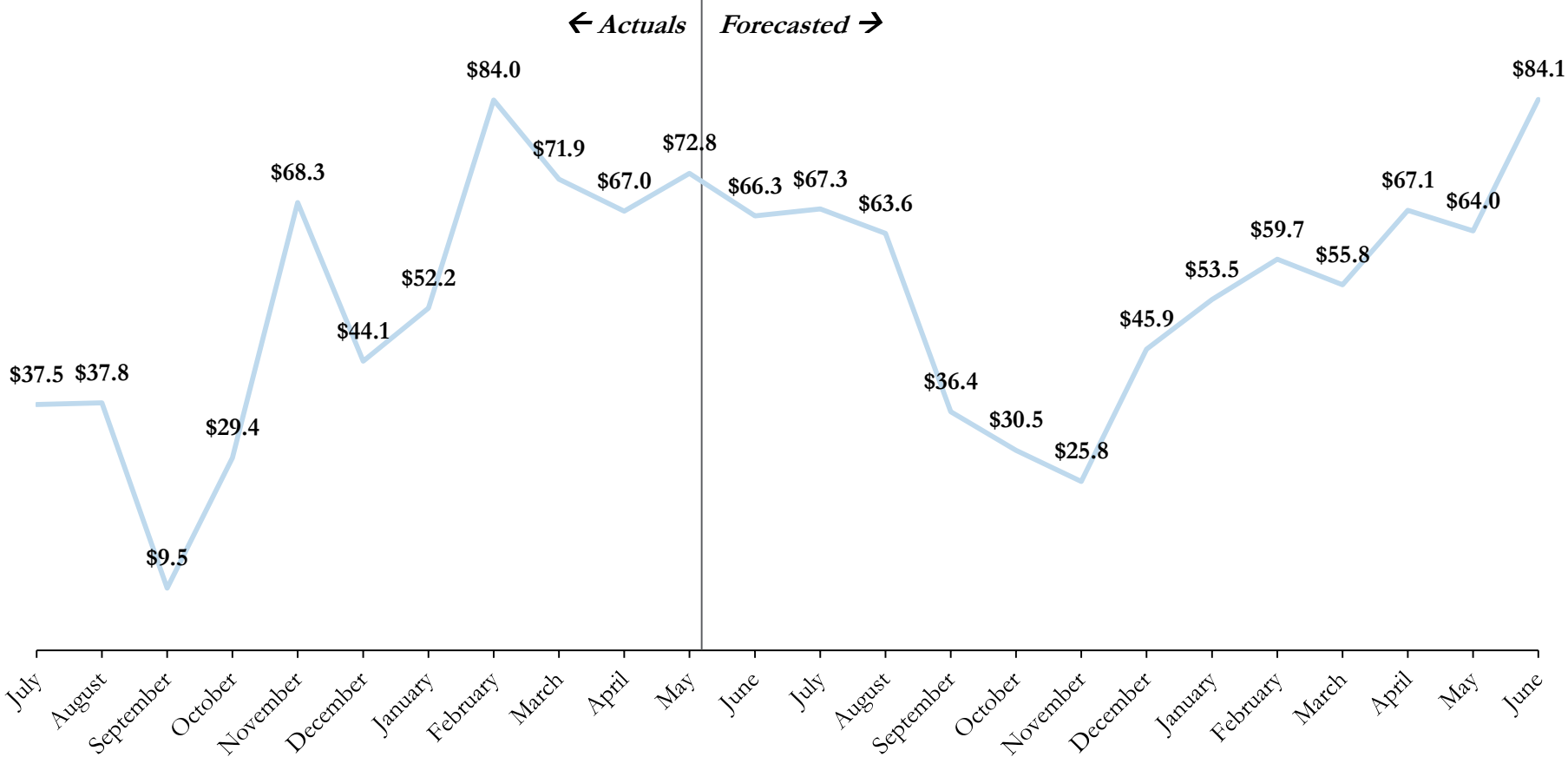
DPSCD detail statement of expenditures by object level – budget to actual comparison

	Budget to Actual Comparison Current Month					Budget to Actual Comparison YTD				
	Budget	Actual		Variance		Budget	Actual		Variance	
	Month of	Month of				YTD	YTD			
	Apr-17	Apr-17		\$	%	Apr-17	Apr-17		\$	%
Salaries	\$ 21,110,331	\$ 22,595,512	\$ 1,485,181	7%	\$ 212,055,851	\$ 206,273,287	\$ (5,782,565)	(3%)		
Benefits	12,676,823	12,334,143	(342,680)	(3%)	118,436,554	112,966,017	(5,470,537)	(5%)		
Purchased Services	13,289,554	8,962,250	(4,327,304)	(33%)	107,194,320	103,240,230	(3,954,090)	(4%)		
Supplies & Textbooks	1,885,051	1,389,810	(495,241)	(26%)	11,279,987	10,731,902	(548,086)	(5%)		
Equipment & Capital	1,188,200	73,712	(1,114,488)	(94%)	6,823,196	4,350,862	(2,472,335)	(36%)		
Utilities	849,291	72,577	(776,714)	(91%)	13,813,598	13,238,536	(575,062)	(4%)		
Other	-	-	-	-	-	-	-	-		
Total Expenditures	\$ 50,999,250	\$ 45,428,005	\$ (5,571,245)	(11%)	\$ 469,603,507	\$ 450,800,834	\$ (18,802,674)	(4%)		

DPSCD FY17 and FY18 cash flow forecast (includes actuals through May 19, 2017)

FY17 Actual & Forecasted Ending Operating Cash Balance

\$ in millions



DPSCD Cash Forecast to Actuals Variance – April 2017

<i>\$ in thousands</i>	Forecast	Actuals	Variance	Comment
Cash Receipts				
State Aid	\$ 35,006	\$ 34,868	\$ (138)	
MPSERS (State Funded)	3,182	3,182	0	
Enhancement Millage	2,103	1,905	(198)	
Grants	19,818	5,756	(14,062)	Timing - variance to be received in May and June. Reclassified a portion to be considered food service reimbursement.
Transfer from DPS	-	-	-	
WCRESA	756	561	(196)	
Food Service Reimbursement	2,592	3,667	1,075	\$1.0 million in grants reclassified as food service. Additional reclassified amounts expected to be received in May and June.
Capital Asset Sales	-	-	-	
Miscellaneous	689	934	245	
Total Cash Receipts	64,147	50,873	(13,274)	
Cash Disbursements				
MPSERS (Pass through)	\$ (3,182)	\$ (3,182)	\$ -	
Payroll Direct Deposit	(14,145)	(13,266)	880	
Taxes	(5,596)	(4,986)	609	
FICA	(1,673)	(1,579)	94	
Accounts Payable	(19,748)	(13,679)	6,069	Timing - disbursements expected during May
Pension (employee portion)	(1,898)	(1,836)	62	
Pension (employer portion)	(5,877)	(5,509)	368	
Health	(4,799)	(2,926)	1,873	
Fringe Benefits	(586)	(78)	509	
Food Service	(6,344)	(3,793)	2,551	Timing - disbursements expected during May
Transfer to DPS	-	(4,923)	(4,923)	Erroneous cash transfer to DPS, reversed in May
Other	(307)	(0)	307	
Total Cash Disbursements	(64,155)	(55,758)	8,397	
Beginning Cash Balance	71,897	71,897	-	
Net Cash Flow	(8)	(4,885)	(4,877)	
Ending Cash Balance	\$ 71,889	\$ 67,012	\$ (4,877)	

Note: The sum of individual month's variances does not equal the cumulative variance for multiple months as the forecast is updated weekly and changes in current month can affect future months (e.g. a receivable that is initially expected in August, subsequently expected in September and finally received in October will show up twice in the monthly variance but only once in the cumulative variance). The April 30, 2017 bank reconciliation was completed on June 1, 2017; reconciled items are in the process of being cleared by cash management.

DPSCD FY17 April YTD cash flows

<i>\$ in thousands</i>	July	August	September	October	November	December	January	February	March	April	YTD Actuals
	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	
Cash Receipts											
State Aid	\$ -	\$ -	\$ -	\$ 35,052	\$ 35,841	\$ 33,765	\$ 34,830	\$ 35,552	\$ 35,002	\$ 34,868	\$ 244,910
MPERS (State Funded)	-	-	-	-	6,364	3,182	3,182	3,182	3,182	3,182	22,275
Enhancement Millage	-	-	-	-	-	-	177	5,540	5,261	1,905	12,883
Grants	-	-	2,407	1,257	13,052	13,009	13,311	24,988	9,546	5,756	83,325
Transfer from DPS	25,000	15,269	-	15,739	17,000	-	5,358	-	-	-	78,367
WCRESA	15,000	-	2,498	2,254	1,944	2,254	2,341	6,756	4,361	561	37,969
Food Service Reimbursement	-	-	-	-	3,666	4,685	4,846	3,644	3,689	3,667	24,197
Capital Asset Sales	-	-	-	-	-	3,091	-	362	6,354	-	9,807
Miscellaneous	25	110	198	976	628	537	477	1,358	380	934	5,623
Total Cash Receipts	40,025	15,380	5,103	55,277	78,496	60,523	64,521	81,383	67,776	50,873	519,357
Cash Disbursements											
MPERS (Pass through)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (6,364)	\$ (3,182)	\$ (3,182)	\$ (3,182)	\$ (3,182)	\$ (19,093)
Payroll Direct Deposit	(2,396)	(3,424)	(14,038)	(13,598)	(6,767)	(25,744)	(13,087)	(14,006)	(20,577)	(13,266)	(126,903)
Taxes	(27)	(1,397)	(2,966)	(5,085)	(5,296)	(9,216)	(5,118)	(5,081)	(4,922)	(4,986)	(44,095)
FICA	-	(629)	(882)	(1,543)	(1,566)	(2,885)	(1,497)	(1,569)	(1,547)	(1,579)	(13,697)
Accounts Payable	(1)	(505)	(8,223)	(6,045)	(12,668)	(22,410)	(7,340)	(13,049)	(19,169)	(13,679)	(103,091)
Pension (employee portion)	(36)	(428)	(692)	(1,589)	(1,716)	(2,597)	(1,784)	(1,787)	(1,837)	(1,836)	(14,303)
Pension (employer portion)	-	(1,700)	(429)	(5,187)	(5,468)	(8,073)	(5,263)	(5,265)	(5,474)	(5,509)	(42,368)
Health	(28)	(6,965)	(5,818)	(124)	(4,404)	(3,731)	(3,152)	(4,102)	(3,144)	(2,926)	(34,395)
Fringe Benefits	-	(6)	(13)	(22)	(40)	(65)	(82)	(75)	(166)	(78)	(548)
Food Service	-	-	(321)	(2,189)	(1,424)	(3,598)	(167)	(1,034)	(2,079)	(3,793)	(14,607)
Transfer to DPS	-	-	-	-	-	-	(15,739)	(458)	(17,176)	(4,923)	(38,296)
Other	-	(75)	-	(2)	(199)	(41)	(22)	(19)	(589)	(0)	(949)
Total Cash Disbursements	(2,488)	(15,131)	(33,383)	(35,387)	(39,550)	(84,725)	(56,434)	(49,627)	(79,864)	(55,758)	(452,345)
Beginning Cash Balance	-	37,537	37,786	9,506	29,397	68,343	44,142	52,229	83,985	71,897	-
Net Cash Flow	37,537	249	(28,280)	19,891	38,946	(24,201)	8,087	31,756	(12,088)	(4,885)	67,012
Ending Cash Balance	\$ 37,537	\$ 37,786	\$ 9,506	\$ 29,397	\$ 68,343	\$ 44,142	\$ 52,229	\$ 83,985	\$ 71,897	\$ 67,012	\$ 67,012

DPSCD FY17 revised monthly cash flow forecast

<i>\$ in thousands</i>	2016						2017						FY 17 Total
	July	August	September	October	November	December	January	February	March	April	May	June	
	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Forecast	Forecast	
Cash Receipts													
State Aid	\$ -	\$ -	\$ -	\$ 35,052	\$ 35,841	\$ 33,765	\$ 34,830	\$ 35,552	\$ 35,002	\$ 34,868	\$ 34,868	\$ 34,868	\$ 314,646
MPERS (State Funded)	-	-	-	-	6,364	3,182	3,182	3,182	3,182	3,182	3,182	3,182	28,639
Enhancement Millage	-	-	-	-	-	-	177	5,540	5,261	1,905	1,402	2,475	16,760
Grants	-	-	2,407	1,257	13,052	13,009	13,311	24,988	9,546	5,756	15,679	13,895	112,899
Transfer from DPS	25,000	15,269	-	15,739	17,000	-	5,358	-	-	-	4,916	44,439	127,722
WCRESA	15,000	-	2,498	2,254	1,944	2,254	2,341	6,756	4,361	561	4,788	2,344	45,101
Food Service Reimbursement	-	-	-	-	3,666	4,685	4,846	3,644	3,689	3,667	5,837	3,429	33,463
Capital Asset Sales	-	-	-	-	-	3,091	-	362	6,354	-	-	-	9,807
Miscellaneous	25	110	198	976	628	537	477	1,358	380	934	696	645	6,965
Total Cash Receipts	40,025	15,380	5,103	55,277	78,496	60,523	64,521	81,383	67,776	50,873	71,369	105,277	696,002
Cash Disbursements													
MPERS (Pass through)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (6,364)	\$ (3,182)	\$ (3,182)	\$ (3,182)	\$ (3,182)	\$ (3,182)	\$ (3,182)	\$ (25,457)
Payroll Direct Deposit	(2,396)	(3,424)	(14,038)	(13,598)	(6,767)	(25,744)	(13,087)	(14,006)	(20,577)	(13,266)	(13,814)	(15,445)	(156,163)
Taxes	(27)	(1,397)	(2,966)	(5,085)	(5,296)	(9,216)	(5,118)	(5,081)	(4,922)	(4,986)	(4,854)	(8,498)	(57,447)
FICA	-	(629)	(882)	(1,543)	(1,566)	(2,885)	(1,497)	(1,569)	(1,547)	(1,579)	(1,502)	(2,546)	(17,745)
Accounts Payable*	(1)	(505)	(8,223)	(6,045)	(12,668)	(22,410)	(7,340)	(13,049)	(19,169)	(13,679)	(23,241)	(18,035)	(144,367)
Pension (employee portion)	(36)	(428)	(692)	(1,589)	(1,716)	(2,597)	(1,784)	(1,787)	(1,837)	(1,836)	(1,786)	(2,862)	(18,951)
Pension (employer portion)	-	(1,700)	(429)	(5,187)	(5,468)	(8,073)	(5,263)	(5,265)	(5,474)	(5,509)	(5,296)	(8,862)	(56,525)
Health	(28)	(6,965)	(5,818)	(124)	(4,404)	(3,731)	(3,152)	(4,102)	(3,144)	(2,926)	(6,462)	(6,969)	(47,827)
Fringe Benefits**	-	(6)	(13)	(22)	(40)	(65)	(82)	(75)	(166)	(78)	(241)	(41,086)	(41,874)
Food Service	-	-	(321)	(2,189)	(1,424)	(3,598)	(167)	(1,034)	(2,079)	(3,793)	(5,143)	(4,146)	(23,895)
Transfer to DPS	-	-	-	-	-	-	(15,739)	(458)	(17,176)	(4,923)	(52)	-	(38,348)
Other	-	(75)	-	(2)	(199)	(41)	(22)	(19)	(589)	(0)	(9)	(150)	(1,108)
Total Cash Disbursements	(2,488)	(15,131)	(33,383)	(35,387)	(39,550)	(84,725)	(56,434)	(49,627)	(79,864)	(55,758)	(65,582)	(111,782)	(629,708)
Beginning Cash Balance	-	37,537	37,786	9,506	29,397	68,343	44,142	52,229	83,985	71,897	67,012	72,799	-
Net Cash Flow	37,537	249	(28,280)	19,891	38,946	(24,201)	8,087	31,756	(12,088)	(4,885)	5,787	(6,505)	66,294
Ending Cash Balance	\$ 37,537	\$ 37,786	\$ 9,506	\$ 29,397	\$ 68,343	\$ 44,142	\$ 52,229	\$ 83,985	\$ 71,897	\$ 67,012	\$ 72,799	\$ 66,294	\$ 66,294

Note:

Forecast includes actuals through May 19, 2017.

*Accounts payables figure includes legal liability of approximately \$4.0 million to be transferred from DPS in June 2017.

**Fringe benefits figure includes termination incentive plan and workers compensation liabilities to be transferred from DPS in June 2017.

DPSCD FY18 revised monthly cash flow forecast

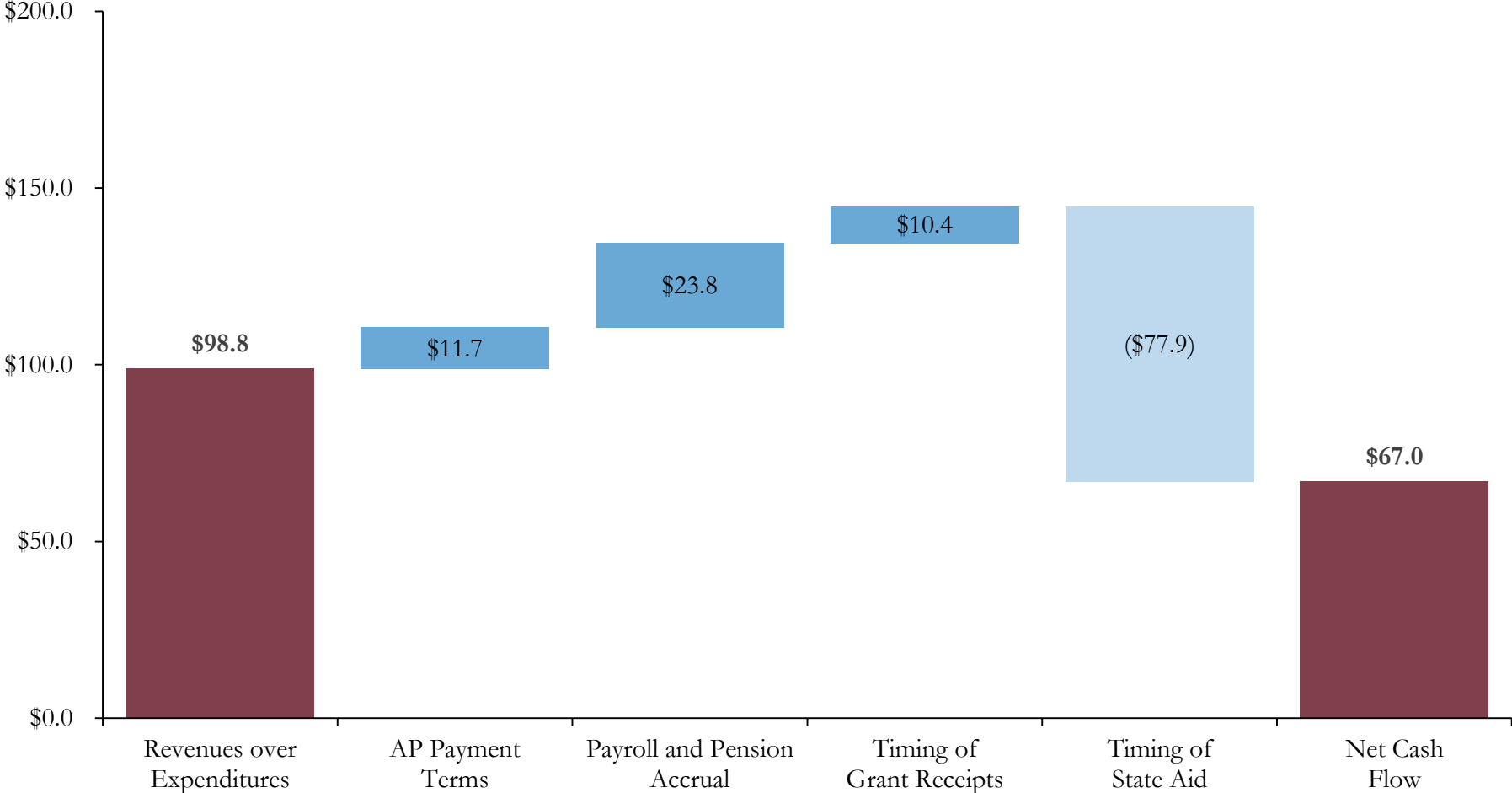
\$ in thousands

	2017						2018						FY 18 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	\$ 34,868	\$ 34,868	\$ -	\$ 37,877	\$ 37,877	\$ 37,877	\$ 37,877	\$ 37,877	\$ 37,877	\$ 37,877	\$ 37,877	\$ 37,877	\$ 410,631
MPSERS (State Funded)	3,182	3,182	-	-	6,684	3,342	3,342	3,342	3,342	3,342	3,342	3,342	36,443
Enhancement Millage	-	1,159	1,159	1,159	1,159	1,159	1,738	1,738	1,738	1,738	1,738	2,556	17,039
Grants	10,255	10,255	10,219	1,819	6,481	31,424	13,982	13,982	13,982	19,187	14,711	13,982	160,279
Transfer from DPS	-	-	-	-	-	-	-	-	-	-	-	13,100	13,100
WCRESA	-	-	4,413	4,413	4,413	4,413	4,413	4,413	4,413	4,413	4,413	4,413	44,132
Food Service Reimbursement	5,182	3,455	820	820	2,862	2,862	4,293	2,862	2,862	2,862	2,862	2,862	34,604
Capital Asset Sales	13	13	13	13	13	13	13	13	13	13	13	13	150
Miscellaneous	817	932	501	501	627	501	501	501	627	501	627	501	7,139
Total Cash Receipts	54,317	53,863	17,125	46,602	60,115	81,591	66,159	64,728	64,854	69,934	65,583	78,646	723,517
Cash Disbursements													
MPSERS (Pass through)	\$ (3,182)	\$ (3,182)	\$ (3,182)	\$ -	\$ -	\$ (6,684)	\$ (3,342)	\$ (3,342)	\$ (3,342)	\$ (3,342)	\$ (3,342)	\$ (3,342)	\$ (36,283)
Payroll Direct Deposit	(14,101)	(16,910)	(10,328)	(15,132)	(15,132)	(15,132)	(15,132)	(15,132)	(22,698)	(15,132)	(15,132)	(15,132)	(185,094)
Taxes	(5,278)	(5,342)	(2,264)	(5,718)	(8,327)	(5,718)	(5,718)	(5,718)	(5,968)	(5,718)	(8,327)	(5,718)	(69,817)
FICA	(26)	(1,711)	(724)	(1,816)	(2,649)	(1,816)	(1,816)	(1,816)	(1,891)	(1,816)	(2,649)	(1,816)	(20,545)
Accounts Payable	(13,942)	(15,365)	(15,198)	(15,198)	(16,750)	(15,198)	(15,198)	(15,198)	(16,750)	(15,198)	(16,750)	(15,198)	(185,946)
Pension (employee portion)	(1,953)	(1,905)	(1,383)	(1,424)	(2,914)	(1,999)	(1,999)	(1,999)	(2,084)	(1,999)	(2,914)	(1,999)	(24,575)
Pension (employer portion)	(6,044)	(5,899)	(4,328)	(4,459)	(9,034)	(6,193)	(6,193)	(6,193)	(6,449)	(6,193)	(9,034)	(6,193)	(76,211)
Health	(3,921)	(4,545)	(4,410)	(4,327)	(4,454)	(4,324)	(4,785)	(4,800)	(4,947)	(4,800)	(4,947)	(4,800)	(55,061)
Fringe Benefits	(543)	(624)	(355)	(587)	(660)	(587)	(587)	(587)	(808)	(587)	(660)	(587)	(7,175)
Food Service	(2,764)	(602)	(656)	(2,290)	(3,434)	(2,290)	(2,290)	(2,290)	(2,290)	(2,290)	(3,434)	(2,290)	(26,918)
Other	(1,508)	(1,508)	(1,508)	(1,508)	(1,508)	(1,508)	(1,508)	(1,508)	(1,508)	(1,508)	(1,508)	(1,508)	(18,096)
Total Cash Disbursements	(53,262)	(57,594)	(44,337)	(52,460)	(64,863)	(61,451)	(58,570)	(58,584)	(68,735)	(58,584)	(68,698)	(58,584)	(705,720)
Beginning Cash Balance	66,294	67,349	63,618	36,406	30,549	25,802	45,941	53,531	59,675	55,794	67,144	64,029	66,294
Net Cash Flow	1,055	(3,731)	(27,212)	(5,857)	(4,748)	20,140	7,590	6,144	(3,881)	11,349	(3,115)	20,062	17,797
Ending Cash Balance	\$ 67,349	\$ 63,618	\$ 36,406	\$ 30,549	\$ 25,802	\$ 45,941	\$ 53,531	\$ 59,675	\$ 55,794	\$ 67,144	\$ 64,029	\$ 84,091	\$ 84,091

Reconciliation of FY17 April YTD general ledger surplus to actual net cash flow

Revenues over Expenditures to Net Cash Flow Bridge

\$ in millions



a	Financial Update
b	DPSCD FY 2017 Budget Amendment # 5
c	DPSCD PRELIMINARY Budget FY 2018
d	DPS FY 2017 Budget Amendment # 2
e	DPS PRELIMINARY Budget FY 2018
f	DPS Bond Refinancing
g	Requests For Approval (Contracts)
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STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

DETROIT FINANCIAL REVIEW COMMISSION

SCHOOL DISTRICT RESOLUTION 2017-11

**APPROVING THE COMMUNITY DISTRICT'S JUNE 2017 BUDGET
AMENDMENT 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 21, 2016; and

WHEREAS, Section 7(c) of the Act provides that during the period of oversight, the Commission review, modify, and approve the Community District's proposed and amended operational budgets and that a proposed budget or budget amendment does not take effect unless approved by the Commission; and

WHEREAS, Section 6(3) of the Act further requires the Commission to ensure that the Community District complies with the requirements of the Uniform Budgeting and Accounting Act; and

WHEREAS, the Uniform Budgeting and Accounting Act prevents the Community District from deviating from its original general appropriations act without amending it and requires the Community District to amend its general appropriations act as soon as it becomes apparent that a

deviation from the original general appropriations act is necessary and the amount of the deviation can be determined; and

WHEREAS, at the Commission meeting on June 26, 2017, the Community District presented budget amendment requests, 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 June 2017 budget amendment requests, attached as **Exhibit A** to this Resolution but excluding any budget amendments 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.

Budget Amendment # 5 Assumptions

- **Payroll Expenses** – Based on payroll expenses through April, the Detroit Public Schools Community District (DPSCD) reduced the budgeted payroll expenditures to be more in agreement with the anticipated costs. This primarily impacts Instruction and School Administration
- **Title IIA** – Budget amendment No. 5 reflects the \$7.7 million Title IIA Carryover. This budget is funding additional teachers (Instruction), Instructional Specialists (Instructional Staff Support) and purchased services (Community Service)
- **Special Education Transportation Cost Reimbursement** – The \$3.2 million Wayne RESA reimbursement for Special Education Costs incurred during Fiscal Year 2015-2016 was reclassified from Other Local Sources to Special Education Millage
- **Cass Technical Football Field** – An anticipated \$1.5 million expenditure for the installation of a new football field at Cass Technical High School was moved from FY 2017 to Fiscal Year 2017-2018. This change is reflected in Operations and Maintenance

DPSCD FY 2017 Budget Amendment # 5

	FY 2017 - Budget Amendment # 1	FY 2017 - Budget Amendment # 2	FY 2017 - Budget Amendment # 3	FY 2017 - Budget Amendment # 4	FY 2017 - Budget Amendment # 5	FY 2017 - Budget Amendment # 5 Increase (Decrease) Over FY 2017 - Budget Amendment # 4
Revenue:						
Local sources						
Special education millage	\$ 38,826,853	\$ 38,826,853	\$ 37,784,426	\$ 39,978,739	\$ 43,262,078	\$ 3,283,339
Revenue enhancement millage	-	-	16,482,670	16,482,670	16,482,670	-
Payments from the EAA	-	2,000,000	2,449,999	2,449,999	2,449,999	-
Other	12,228,981	12,228,981	12,216,928	15,618,447	12,455,584	(3,162,863)
Total local sources	51,055,834	53,055,834	68,934,023	74,529,855	74,650,331	120,476
State sources	445,820,225	441,320,225	441,694,928	439,594,318	439,541,179	(53,139)
Federal sources	142,198,114	142,198,114	146,159,505	151,523,011	159,145,678	7,622,667
Total Revenue	639,074,173	636,574,173	656,788,456	665,647,184	673,337,188	7,690,004
Expenditures:						
Instruction	334,818,295	341,551,248	334,685,823	333,286,682	330,065,300	(3,221,382)
Support services						
Pupil services	60,851,687	62,033,509	59,110,094	57,303,208	57,005,607	(297,601)
Instructional staff support	53,634,411	53,967,452	54,084,423	51,958,975	55,883,400	3,924,425
General administration	3,836,974	3,836,974	3,868,412	3,597,300	3,609,034	11,734
School administration	38,454,265	38,487,534	38,867,075	37,569,649	35,588,016	(1,981,633)
Business office	9,481,223	9,481,223	9,203,315	11,515,247	11,162,082	(353,165)
Operations & maintenance	84,854,606	84,854,606	87,255,722	86,585,186	85,161,107	(1,424,079)
Transportation	35,031,312	35,031,312	35,834,665	35,709,996	35,689,754	(20,242)
Central support service	28,331,822	28,339,379	29,407,090	28,689,993	27,785,246	(904,747)
Other support service	842,576	842,576	1,838,525	1,840,454	1,929,552	89,098
Total support services	315,318,876	316,874,565	319,469,321	314,770,008	313,813,798	(956,210)
Community service	4,242,729	4,257,403	5,350,764	5,403,670	6,050,153	646,483
Facilities acquisitions and improvement	606,809	606,809	606,809	95,093	95,093	-
Total Expenditures	654,986,709	663,290,025	660,112,717	653,555,453	650,024,344	(3,531,109)
Other Financial Sources (Uses)						
Sources						
Proceeds from sale of capital assets	6,000,000	9,000,000	9,000,000	9,453,597	9,453,597	-
Payments From Detroit Public Schools	25,000,000	42,300,000	40,269,308	40,696,275	40,696,275	-
Transfer from Food Service Fund	2,256,058	2,256,058	2,256,058	2,256,058	2,256,058	-
Total Sources	33,256,058	53,556,058	51,525,366	52,405,930	52,405,930	-
Total Other Financial Sources (Uses)	33,256,058	53,556,058	51,525,366	52,405,930	52,405,930	-
Excess (deficiency) of Revenue and Other Sources Over (Under) Expenditures and Other Uses						
	17,343,522	26,840,206	48,201,105	64,497,661	75,718,774	11,221,113
Beginning Reserves	-	-	-	-	-	-
Ending Reserves	\$ 17,343,522	\$ 26,840,206	\$ 48,201,105	\$ 64,497,661	\$ 75,718,774	

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STATE OF MICHIGAN
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LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

DETROIT FINANCIAL REVIEW COMMISSION

SCHOOL DISTRICT RESOLUTION 2017-12

**APPROVING THE DETROIT PUBLIC SCHOOLS COMMUNITY
DISTRICT'S BUDGET FOR FISCAL YEAR 2018**

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

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

WHEREAS, Section 7(c) of the Act provides that during the period of oversight, the Commission review, modify, and approve the Community District's proposed and amended operational budgets and that a proposed budget or budget amendment does not take effect unless approved by the Commission; and

WHEREAS, the Community District presented its budget for the fiscal year ending June 30, 2018 ("fiscal year 2018") to the Commission at its meeting on June 26, 2017 for the Commission's review and consideration.

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

1. That the Community District's budget for fiscal year 2018 (the "Budget"), as presented to the Commission on June 26, 2017, is 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.

High-Level Assumptions

Revenue

- i. Expected student enrollment increase of ~3,000 due to the following two items:
 - Total DPSCD student enrollment of 44,148 students; an enrollment loss of ~1,000 DPSCD students from FY17
 - Enrollment gain from EAA consolidation of ~4,000 EAA students (the EAA had ~5,000 students in FY17)
- ii. Increase in the Foundation Allowance by \$99 (from \$7,552 in FY17 to \$7,651 in FY18) (per Governor Rick Snyder's FY18 spending plan presented to legislators on February 8, 2017)
- iii. Additional \$50 per High School FTE (per Governor Rick Snyder's FY18 spending plan presented to legislators on February 8, 2017)
- iv. \$1.3M enhancement millage increase from FY17 due to increased enrollment from EAA

Expenditures

- i. Staffing costs are budgeted to increase, still need to be negotiated
- ii. Assumption some one-time costs that will occur in relation to EAA consolidation or school / facility rationalization
- iii. 5.5% increase in health benefits cost (annualizing the 11% increase for 6 months, from January to June)
- iv. \$10M of contingency for unexpected costs that may or may not arise during FY18
- v. \$8M of general fund vacancies
- vi. ~\$9.5M of Transition Funding made up of:
 - \$5.45M for Operations & Maintenance (\$5M for Facilities Maintenance and Improvements and \$0.45M for Safety Improvements)
 - \$4M for Academic Initiatives

Other Financial sources (Uses)

- i. \$13.1M one-time payment from DPS to DPSCD

DPSCD PRELIMINARY FY 2018 Budget

	FY 2017 - Budget Amendment # 5	DRAFT FY 2018	PRELIMINARY FY 2018	DRAFT FY 2018 vs. PRELIMINARY FY 2018 Variance
Revenue:				
Local sources	\$ 74,650,331	\$ 74,897,970	\$ 75,128,217	\$ 230,247
State sources	439,541,179	476,613,000	475,732,309	(880,691)
Federal sources	159,145,678	151,418,431	144,305,730	(7,112,701)
Total Revenue	673,337,188	702,929,401	695,166,256	(7,763,145)
Expenditures:				
Instruction	330,065,300	370,412,385	368,474,924	(1,937,461)
Support services				
Pupil services	57,005,607	61,429,899	64,545,884	3,115,985
Instructional staff support	55,883,400	53,830,273	53,486,475	(343,798)
General administration	3,609,034	3,944,878	5,421,503	1,476,625
School administration	35,588,016	41,316,304	39,684,565	(1,631,739)
Business office	11,162,082	9,224,833	7,718,860	(1,505,973)
Operations & maintenance	85,161,107	91,488,136	90,944,957	(543,179)
Transportation	35,689,754	36,239,099	39,401,259	3,162,160
Central support service	27,785,246	29,809,903	29,494,567	(315,336)
Other support service	1,929,552	1,537,756	2,036,418	498,662
Total support services	313,813,798	328,821,081	332,734,488	3,913,407
Community service	6,050,153	5,043,249	4,706,607	(336,642)
Facilities acquisitions and improvement	95,093	608,792	-	(608,792)
Total Expenditures	650,024,344	704,885,507	705,916,019	1,030,512
Other Financial Sources (Uses)				
Proceeds from sale of capital assets	9,453,597	-	-	-
Transfers In	-	-	2,542,788	2,542,788
Transfers Out	-	-	(2,542,788)	(2,542,788)
Payments from DPS	40,696,275	13,100,000	13,100,000	-
Transfers in from Food Service	2,256,058	2,256,058	2,000,000	(256,058)
Total Other Financial Sources (Uses)	52,405,930	15,356,058	15,100,000	(256,058)
Surplus (Deficit)	75,718,774	13,399,952	4,350,237	(9,049,715)
Beginning Fund Balance	-	75,718,774	75,718,774	
Fund Balance (reserved)	36,224,705	28,859,581	28,859,581	
Fund Balance (unrestricted)	39,494,069	60,259,145	51,209,430	
Total Fund Balance	\$ 75,718,774	\$ 89,118,726	\$ 80,069,011	

FY 2018 Budget Crosswalk

	Fund 15 (State Transition)	One-Time Revenues and Expenses	Recurring Revenues and Expenses	FY 2018 PROJECTION
Revenue:				
Local sources				
Special education millage	-	-	43,151,615	43,151,615
Revenue enhancement millage	-	-	17,740,760	17,740,760
Other	-	2,546,317	11,689,525	14,235,842
Total local sources	-	2,546,317	72,581,900	75,128,217
State sources	-	-	475,732,309	475,732,309
Federal sources	-	-	144,305,730	144,305,730
Total Revenue	-	2,546,317	692,619,939	695,166,256
Expenditures:				
Instruction	1,940,957	-	366,533,967	368,474,924
Support services				
Pupil services	148,535	-	64,397,349	64,545,884
Instructional staff support	1,637,391	-	51,849,084	53,486,475
General administration	-	-	5,421,503	5,421,503
School administration	59,000	-	39,625,565	39,684,565
Business office	-	-	7,718,860	7,718,860
Operations & maintenance	5,450,000	2,155,500	83,339,457	90,944,957
Transportation	-	-	39,401,259	39,401,259
Central support service	214,117	847,677	28,432,773	29,494,567
Other support service	-	-	2,036,418	2,036,418
Total support services	7,509,043	3,003,177	322,222,268	332,734,488
Community service	-	-	4,706,607	4,706,607
Facilities acquisitions and improvement	-	-	-	-
Total Expenditures	9,450,000	3,003,177	693,462,842	705,916,019
Other Financial Sources (Uses)				
Sources				
Transfers In	-	-	2,542,788	2,542,788
Proceeds from other Districts	-	13,100,000	-	13,100,000
Transfer from Food Service Fund	-	-	2,000,000	2,000,000
Total Sources	-	13,100,000	4,542,788	17,642,788
Uses				
Transfers Out	-	-	(2,542,788)	(2,542,788)
Total Uses	-	-	(2,542,788)	(2,542,788)
Total Other financial uses	-	13,100,000	2,000,000	15,100,000
Excess (deficiency) of Revenue Over (Under)				
Expenditures	(9,450,000)	12,643,140	1,157,097	4,350,237

Positions in the budget by Category

Category	Filled			Vacant			TOTAL			
	FTE	Salaries	Benefits	FTE	Salaries	Benefits	FTE	Salaries	Benefits	TOTAL
Full Time										
Officials/Administrators/Managers	140	\$ 13,888,825	\$ 7,170,903	26	\$ 2,421,369	\$ 1,278,668	166	\$ 16,310,194	\$ 8,449,571	\$ 24,759,765
Principals	106	10,564,601	5,450,654	-	-	-	106	10,564,601	5,450,654	16,015,255
Assistant Principals	51	4,077,493	2,239,135	-	-	-	51	4,077,493	2,239,135	6,316,629
Classroom Teachers	2,725	165,666,987	92,461,911	308	17,266,492	10,042,565	3,033	182,933,479	102,504,476	285,437,955
Guidance	97	5,895,570	3,276,760	10	563,446	323,285	107	6,459,016	3,600,045	10,059,061
Psychological	32	2,019,227	1,086,741	7	332,965	197,668	39	2,352,192	1,284,410	3,636,601
Librarians/Audio Visual Technicians	-	-	-	-	-	-	-	-	-	-
Consultants/Supervisors of Instruction	188	13,521,400	7,519,595	56	3,916,110	2,145,853	243	17,437,510	9,665,448	27,102,958
Other Professional Staff	317	19,362,579	10,705,906	96	5,129,737	2,810,387	413	24,492,317	13,516,293	38,008,609
Teacher Aides	888	16,860,881	12,388,362	204	4,168,102	3,249,728	1,092	21,028,983	15,638,090	36,667,073
Technicians	7	191,529	127,452	-	-	-	7	191,529	127,452	318,980
Clerical/Secretarial Staff	271	8,570,539	5,470,437	7	353,492	201,049	278	8,924,031	5,671,485	14,595,516
Service Workers	220	5,341,356	3,487,718	21	484,831	369,056	241	5,826,187	3,856,774	9,682,961
Skilled Crafts	11	407,431	115,982	-	-	-	11	407,431	115,982	523,413
Laborers, Unskilled	-	-	-	-	-	-	-	-	-	-
Sub-total (1-18)	5,052	\$ 266,368,417	\$ 151,501,557	736	\$ 34,636,545	\$ 20,618,258	5,788	\$ 301,004,961	\$ 172,119,815	\$ 473,124,776
Part-Time	168	878,722	394,166	33	189,970	69,706	201	1,068,692	463,872	1,532,564
Substitutes/Instructional	-	1,555,889	687,819	-	-	-	-	1,555,889	687,819	2,243,708
Substitutes/Non Instructional	4	52,223	28,200	12	164,070	72,531	16	216,293	100,731	317,024
Sub-total (Part-Time and Subs)	172	\$ 2,486,834	\$ 1,110,185	46	\$ 354,040	\$ 142,238	218	\$ 2,840,874	\$ 1,252,422	\$ 4,093,296
Other salaries/wages/benefits	8	6,773,555	2,982,141	41	5,504,088	2,346,462	49	12,277,643	5,328,603	17,606,246
Severance Pay	-	602,438	46,086	-	-	-	-	602,438	46,086	648,524
Superintendent Annuity	-	-	20,000	-	-	-	-	-	20,000	20,000
Workshop Stipends	-	2,029,729	783,309	-	-	-	-	2,029,729	783,309	2,813,038
Worker's Compensation	-	-	2,006,218	-	-	-	-	-	2,006,218	2,006,218
UAAL Adjustment	-	-	(371,357)	-	-	-	-	-	(371,357)	(371,357)
Sub-total (Other Compensation)	8	\$ 9,405,721	\$ 5,466,397	41	\$ 5,504,088	\$ 2,346,462	49	\$ 14,909,810	\$ 7,812,859	\$ 22,722,668
GRAND TOTAL	5,232	\$ 278,260,972	\$ 158,078,139	822	\$ 40,494,673	\$ 23,106,958	6,054	\$ 318,755,642	\$ 181,185,096	\$ 499,940,741

Vacant Positions in the budget by Category (General Fund vs. Non-General Fund)

Category	Vacant - GF			Vacant - Non-GF			TOTAL			
	FTE	Salaries	Benefits	FTE	Salaries	Benefits	FTE	Salaries	Benefits	TOTAL
Officials/Administrators/Managers	4	\$ 608,718	\$ 304,893	22	\$ 1,812,651	\$ 973,775	26	\$ 2,421,369	\$ 1,278,668	\$ 3,700,037
Principals	-	-	-	-	-	-	-	-	-	-
Assistant Principals	-	-	-	-	-	-	-	-	-	-
Classroom Teachers	51	2,524,661	1,511,640	257	14,741,831	8,530,924	308	17,266,492	10,042,565	27,309,057
Guidance	-	-	-	10	563,446	323,285	10	563,446	323,285	886,730
Psychological	5	204,702	126,287	3	128,264	71,381	7	332,965	197,668	530,633
Librarians/Audio Visual Technicians	-	-	-	-	-	-	-	-	-	-
Consultants/Supervisors of Instruction	1	86,330	43,278	55	3,829,779	2,102,575	56	3,916,110	2,145,853	6,061,963
Other Professional Staff	13	530,911	331,793	83	4,598,826	2,478,594	96	5,129,737	2,810,387	7,940,124
Teacher Aides	23	616,315	493,052	181	3,551,788	2,756,676	204	4,168,102	3,249,728	7,417,830
Technicians	-	-	-	-	-	-	-	-	-	-
Clerical/Secretarial Staff	2	129,173	72,444	5	224,318	128,604	7	353,492	201,049	554,540
Service Workers	-	-	-	21	484,831	369,056	21	484,831	369,056	853,887
Skilled Crafts	-	-	-	-	-	-	-	-	-	-
Laborers, Unskilled	-	-	-	-	-	-	-	-	-	-
Sub-total (1-18)	99	\$ 4,700,811	\$ 2,883,388	637	\$ 29,935,734	\$ 17,734,870	736	\$ 34,636,545	\$ 20,618,258	\$ 55,254,803
Part-Time	0	3,330	255	33	186,641	69,451	33	189,970	69,706	259,676
Substitutes/Instructional	-	-	-	-	-	-	-	-	-	-
Substitutes/Non Instructional	-	-	-	12	164,070	72,531	12	164,070	72,531	236,602
Sub-total (Part-Time and Subs)	0	\$ 3,330	\$ 255	45	\$ 350,711	\$ 141,983	46	\$ 354,040	\$ 142,238	\$ 496,278
Other salaries/wages/benefits	2	189,777	83,896	40	5,314,311	2,262,566	41	5,504,088	2,346,462	7,850,550
Other Compensation	2	\$ 189,777	\$ 83,896	40	\$ 5,314,311	\$ 2,262,566	41	\$ 5,504,088	\$ 2,346,462	\$ 7,850,550
GRAND TOTAL	101	\$ 4,893,918	\$ 2,967,539	722	\$ 35,600,755	\$ 20,139,419	822	\$ 40,494,673	\$ 23,106,958	\$ 63,601,631

Capital Allocation by Project

School Name	Funding Source	Project Description	Total Est. Costs	Funding Source			
				General Fund	Bond Settlement	EAA	Fund 15
Cass Technical High School	General Fund (i.e., sale of land)	Installation of football field	\$ 1,500,000	\$ 1,500,000			
Cass Technical High School	1996 Bond Lawsuit Settlement Fund	Repair of HVAC System	1,200,000		1,200,000		
Central High School	EAA Operations	Campus Merger and Roof Repair	500,000			500,000	
Henry Ford High School	EAA Operations	Roof and Floor Repairs	400,000			400,000	
Mumford High School	EAA Operations	Plumbing Repairs/Football Field Sinkhole Correction	300,000			300,000	
Ann Arbor Trail	Fund 15 Settlement Funds	Roof Replacement	762,174				762,174
Dixon	Fund 15 Settlement Funds	Roof Partial Roof Replacement	900,000				900,000
Palmer Park Prep	Fund 15 Settlement Funds	Roof Replacement	875,000				875,000
Chrysler	Fund 15 Settlement Funds	Roof Replacement	424,800				424,800
Children's Museum	Fund 15 Settlement Funds	Roof Replacement	538,704				538,704
Spain	Fund 15 Settlement Funds	Swimming Pool Repairs	310,000				310,000
T. Marshall	Fund 15 Settlement Funds	Lavatory Renovations	125,000				125,000
Sampson-Webber	Fund 15 Settlement Funds	Roof Replacement	1,080,000				1,080,000
Sub-Total			\$ 8,915,678				
Purchased Services							
Chrysler	The Facility Group (Purchased Services)	HVAC Improvements	\$ 54,600	54,600			
Mason	The Facility Group (Purchased Services)	Boiler Replacement	145,000	145,000			
Detroit Internatioal Academy	The Facility Group (Purchased Services)	Boiler Replacement	210,000	210,000			
Osborn	The Facility Group (Purchased Services)	Boiler Replacement/AHU Repairs	300,000	300,000			
Mark Twain	The Facility Group (Purchased Services)	Boiler Replacement	90,000	90,000			
Day School for the Deaf	The Facility Group (Purchased Services)	HVAC Overhaul	135,000	135,000			
Mann	The Facility Group (Purchased Services)	Boiler Replacement	60,000	60,000			
Gardner	The Facility Group (Purchased Services)	Boiler Replacement	95,000	95,000			
Edison	The Facility Group (Purchased Services)	Boiler Replacement	60,000	60,000			
Marquette	The Facility Group (Purchased Services)	Boiler Replacement	140,000	140,000			
Mumford	The Facility Group (Purchased Services)	Boiler Replacement	135,000	135,000			
Southeastern	The Facility Group (Purchased Services)	Boiler Replacement/Chiller Repair	148,000	148,000			
Golightly Educational	The Facility Group (Purchased Services)	Boiler Replacement	106,000	106,000			
Schulze	The Facility Group (Purchased Services)	Chiller Replacement	75,000	75,000			
Fisher Lower	The Facility Group (Purchased Services)	Chiller Replacement	60,000	60,000			
Renaissance	The Facility Group (Purchased Services)	Chiller Replacement	90,000	90,000			
DSA	The Facility Group (Purchased Services)	Chiller Replacement	105,000	105,000			
Southeastern	The Facility Group (Purchased Services)	Pool Repair	90,000	90,000			
Purchased Services Sub-Total			\$ 2,098,600	\$3,598,600	\$1,200,000	\$1,200,000	\$5,015,678
Total			\$ 11,014,278				

a	Financial Update
b	DPSCD FY 2017 Budget Amendment # 5
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g	Requests For Approval (Contracts)
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STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

DETROIT FINANCIAL REVIEW COMMISSION
DETROIT PUBLIC SCHOOLS (DPS) RESOLUTION 2017-1
APPROVING THE DETROIT PUBLIC SCHOOLS (DPS) JUNE 2017
BUDGET AMENDMENT #2 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 (“DPS”) beginning on June 21, 2016; and

WHEREAS, Section 7(c) of the Act provides that during the period of oversight, the Commission review, modify, and approve Detroit Public Schools proposed and amended operational budgets and that a proposed budget or budget amendment does not take effect unless approved by the Commission; and

WHEREAS, Section 6(3) of the Act further requires the Commission to ensure that Detroit Public Schools complies with the requirements of the Uniform Budgeting and Accounting Act; and

WHEREAS, the Uniform Budgeting and Accounting Act prevents Detroit Public Schools from deviating from its original general appropriations act without amending it and requires Detroit Public Schools to amend its general appropriations act as soon as it becomes apparent that a deviation from the original general appropriations act is necessary and the amount of the deviation can be determined; and

WHEREAS, at the Commission meeting on June 26, 2017, Detroit Public Schools presented budget amendment requests, 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 Detroit Public Schools June 2017 budget amendment requests, attached as **Exhibit A** to this Resolution but excluding any budget amendments 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.

Budget Amendment # 2 Assumptions

Transfers to DPSCD

- i. **Internal Service Fund and Agency Fund** – Budget amendment no. 1 assumed Detroit Public Schools (DPS) would make the following transfers to the DPSCD Internal Service Fund and Agency Fund over a two year period:
 - a. FY 2017: \$28.6 million
 - b. FY 2018: \$19.8 millionBudget amendment no. 2 reflects transfer of the entire amount of \$48.4 million to DPSCD during FY 2017.
- ii. **Food Service Transfer** – DPS transferred the ending cash balance of \$4.5 million from its Food Service Fund to DPSCD’s Food Service Fund in accordance with legislation.

Expenditures

- i. **Invoices** – The budget now reflects payments to vendors made since the completion of the FY 2015-2016 (FY 2016) audit. These payments were made using transitional operating funds provided by emergency loan proceeds and primarily impact Operations and Maintenance, Transportation, Central Support Services and Instructional Staff Support.
- ii. **Benefit Liabilities** – The budget now reflects a transfer to DPSCD of benefit liability (i.e., TIP, workers compensation, legal liability related to employee benefits and claims) expenses to employees made during the first quarter of FY 2017 during the transition period. These payments were made using transitional operating funds provided by emergency loan proceeds and primarily impacts Instruction and Pupil Services.

DPS FY 2017 Budget Amendment #2

	FY 2017 - Adopted	FY 2017 - Budget Amendment # 1	FY 2017 - Budget Amendment # 2	Budget Amendment # 2 Increase (Decrease) Over Budget Amendment # 1
Revenue:				
Local sources				
Property Taxes	66,000,000	58,100,000	58,100,000	-
Total local sources	66,000,000	58,100,000	58,100,000	-
State sources	-	4,339,880	4,339,880	-
Federal sources	-	35,160,478	35,160,478	-
Total Revenue	66,000,000	97,600,358	97,600,358	-
Expenditures:				
Instruction	-	6,373,208	8,070,275	1,697,067
Support services				
Pupil services	-	1,057,615	1,488,538	430,923
Instructional staff support	-	539,652	1,436,258	896,606
General administration	300,000	315,829	341,120	25,291
School administration	-	168,073	262,366	94,293
Business office	700,000	3,031,519	3,028,042	(3,477)
Operations & maintenance	-	5,496,000	7,746,640	2,250,640
Transportation	-	138,310	2,308,425	2,170,115
Central support service	-	177,006	3,032,933	2,855,927
Other support service	-	3,626	86,750	83,124
Total support services	1,000,000	10,927,630	19,731,072	8,803,442
Community service	-	15,092	181,442	165,350
Facilities acquisitions and improvement	-	2,417	2,417	-
Debt service				
SAN Debt Service	-	34,300,000	34,285,117	(14,883)
Deferred MPSERS Interest	-	5,500,000	5,500,000	-
Emergency Loan Debt Service	-	1,211,750	1,211,750	-
Total Debt service	65,000,000	41,011,750	40,996,867	(14,883)
Total Expenditures	66,000,000	58,331,697	68,982,073	10,650,976
Other Financial Sources (Uses)				
Sources				
State Transition Funding	150,000,000	150,000,000	150,000,000	-
Total Sources	150,000,000	150,000,000	150,000,000	-
Uses				
Transfer to DPSCD General Fund - Transition Operating Costs	-	(25,000,000)	(25,000,000)	-
Transfer to DPSCD General Fund	-	(15,696,275)	(15,696,275)	-
Transfer to DPSCD Food Service	-	-	(4,458,220)	(4,458,220)
Transfer to DPSCD Internal Service Fund and Agency Fund (TP/WC/Legal)	-	(28,600,000)	(46,438,893)	(19,838,893)
Total Uses	-	(69,296,275)	(93,593,388)	(24,297,113)
Total Other Financial Sources (Uses)	150,000,000	80,703,725	56,406,612	(24,297,113)
Excess (deficiency) of Revenue and Other Sources Over (Under) Expenditures and Other Uses	150,000,000	119,972,986	85,024,897	(34,948,089)
Beginning Fund Balance	(251,587,254)	(251,587,254)	(251,587,254)	
Ending Fund Balance	\$(101,587,254)	\$(131,614,268)	\$(166,562,357)	

a	Financial Update
b	DPSCD FY 2017 Budget Amendment # 5
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f	DPS Bond Refinancing
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STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

DETROIT FINANCIAL REVIEW COMMISSION
DETROIT PUBLIC SCHOOLS (DPS) RESOLUTION 2017-2
APPROVING THE DETROIT PUBLIC SCHOOLS (DPS) BUDGET FOR
FISCAL YEAR 2018

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 (“DPS”) beginning on June 21, 2016; and

WHEREAS, Section 7(c) of the Act provides that during the period of oversight, the Commission review, modify, and approve Detroit Public School’s proposed and amended operational budgets and that a proposed budget or budget amendment does not take effect unless approved by the Commission; and

WHEREAS, the Detroit Public Schools presented its budget for the fiscal year ending June 30, 2018 (“fiscal year 2018”) to the Commission at its meeting on June 26, 2017 for the Commission’s review and consideration.

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

1. That the Detroit Public School’s budget for fiscal year 2018 (the “Budget”), as presented to the Commission on June 26, 2017, is 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.

High-Level Assumptions

Revenue

The FY 2018 Preliminary Budget includes the following revenues:

- i. Property Taxes – \$58.6 million
- ii. Renaissance Zone – \$4.3 million

Expenditures

The FY 2018 Preliminary Budget includes the following expenses:

- i. Debt Service – \$40.9 million
 - a. SAN Debt Service – \$36.9 million
 - b. Deferred MPSERS Interest – 2.0 million
 - c. Emergency Debt Service – \$2.0 million
- ii. Audit – \$250,000
- iii. Legal expenses – \$150,000

Other Financial sources (Uses)

- i. DPS anticipates transferring \$13.1 million in remaining cash to the Detroit Public Schools Community District (DPSCD) as a reimbursement for pension contributions made in FY 2017 in accordance with legislation
- ii. The District anticipates a \$2.7 million transfer to WRESA related to an overpayment to DPS of Act 18 from 2014-2015

DPS PRELIMINARY FY 2018 Budget

	FY 2018 - PRELIMINARY
Revenue:	
Local sources	
Property Taxes	58,600,000
Total local sources	<u>58,600,000</u>
State sources	4,339,880
Federal sources	<u>-</u>
Total Revenue	<u>62,939,880</u>
Expenditures:	
Instruction	<u>-</u>
Support services	
Pupil services	-
Instructional staff support	-
General administration	150,000
School administration	-
Business office	250,000
Operations & maintenance	-
Transportation	-
Central support service	-
Other support service	<u>-</u>
Total support services	<u>400,000</u>
Community service	<u>-</u>
Facilities acquisitions and improvement	<u>-</u>
Debt service	
SAN Debt Service	36,956,205
Deferred MPSERS Interest	2,000,000
Emergency Loan Debt Service	<u>1,965,000</u>
Total Debt service	<u>40,921,205</u>
Total Expenditures	<u>41,321,205</u>
Other Financial Sources (Uses)	
Uses	
Transfer to DPSCD General Fund - Transition Operating Costs	-
Transfer to DPSCD General Fund - Other	(13,100,000)
Transfer to WRESA	<u>(2,700,000)</u>
Total Uses	<u>(15,800,000)</u>
Total Other Financial Sources (Uses)	<u>(15,800,000)</u>
Excess (deficiency) of Revenue and Other Sources Over (Under) Expenditures and Other Uses	<u>5,818,675</u>
Beginning Fund Balance	(166,562,357)
Ending Fund Balance	<u>\$ (160,743,682)</u>

a	Financial Update
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Executive Summary (PFM Financial Advisors, LLC)

- On April 20, 2017 an Invitation for Proposals for placement bids on the proposed taxable refunding of the School District of the City of Detroit's ("DPS") School Loan Revolving Fund loans was issued
- On June 14, 2017 DPS received two revised bids from the following firms:
 - Bank of America Merrill Lynch
 - JP Morgan Chase Bank
- **Issuance Cost:** Analysis includes Estimated Issuance Cost for the financing assuming the bonds are financed through the MFA. The issuance cost estimated for MFA level issue cost are estimated at this point, as MFA Counsel has not been retained.
- **Analysis:**
 - Bank of America yields more savings to the District; additional savings could be garnered given the longer dated terms
 - JP Morgan's proposal comparable in savings because their proposal does not include going through the Michigan Finance Authority, which carries a cost of \$225K
 - If adjusted, then Bank of America's savings are better by almost \$300K
 - Michigan Finance Authority provides another layer of protection for all parties including DPS, and provides a greater level of certainty for Treasury approving the refunding
 - JP Morgan has a lower interest than Bank of America
- **Recommendation:** Based on the analysis, it is recommended that DPS proceed with the Bank Of America proposal

Summary of Placement Bids (PFM Financial Advisors, LLC)



555 Erianwood Circle
Suite 333
Ann Arbor, MI 48108

734-664-6790
734-664-6710 fax
www.pfm.com

SCHOOL DISTRICT OF THE CITY OF DETROIT PROPOSED SLRF REFUNDING BONDS (UNLIMITED TAX GENERAL OBLIGATION BONDS) (FEDERALLY TAXABLE OBLIGATIONS)

SUMMARY OF PLACEMENT BIDS - REVISED BIDS

Bank of America Merrill Lynch	JP Morgan Chase Bank
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INTEREST RATES AND FEES

Interest Rate Methodology

Fixed at a spread to LIBOR Swap Rate based on the weighted average life of bonds. Bonds purchased at par. Rates set 2 days prior to closing.

By maturity set at a spread over USD Swap Rate located under "swap mid" under Bloomberg USSW. Proposed at 5 year term to stay within desired all-in cost of 3%. Rates set not more than 2 days prior to closing.

Interest Rates*:

Average Life	Base Index	Applicable Spread	Indicative Rates
3.0 yrs	1.60%	1.14%	2.74%
3.5 yrs	1.70%	1.14%	2.84%
4.0 yrs	1.70%	1.26%	2.96%
4.5 yrs	1.79%	1.27%	3.06%

Amortization Date	Base Index	Applicable Spread	Indicative Rates
5/1/2018	1.33%	0.80%	2.13%
5/1/2019	1.42%	0.86%	2.28%
5/1/2020	1.57%	0.96%	2.53%
5/1/2021	1.66%	1.09%	2.75%
5/1/2022	1.74%	1.24%	2.98%

Estimated Cost/Savings:

	All-In TIC	Computed Debt Service Cost	Final Maturity	Average Life (yrs)	Assumed SLRF Int. Rate	Estimated Gross Savings**		All-In TIC	Computed Debt Service Cost	Final Maturity	Average Life (yrs)	Assumed SLRF Int. Rate	Estimated Gross Savings**
Optimal Savings Structure:	2.913%	\$319,179,318	2024	3.499	3.50%	\$13,441,443		2.779%	\$312,401,992	2022	2.821	3.50%	\$13,381,930
					4.00%	\$28,670,825						4.00%	\$26,344,289
					4.283%***	\$39,696,732						4.283%***	\$35,858,968
					4.50%	\$49,136,431						4.50%	\$43,777,472

Default Rate:

12.00%

Base Rate plus 4.5% (Base Rate is highest of JP Morgan Prime + 1.5%, Fed Funds + 2%, or 7.5%. See recapture agreement language.

OTHER ITEMS

Fees: Bank Counsel - \$40,000
 Rating/OS/CUSIPs required?: No
 Bank Counsel: Chapman Cutler - \$40,000
 Notes: Final credit required--within 10 days
 Term Sheet and Covenants Finalized
 Bid Acceptance Deadline: 30-Jun-17

Bank counsel fee \$40,000 (plus possible expenses)
 No
 Dickinson Wright - \$40,000 + exp.
 Final credit required--within 10 days
 Proposed covenants to be negotiated / finalized
 30-Jun-17

* Indicative interest rates are as of June 14, 2017, final interest rates are subject to market change
 ** Estimated savings is based on interest rates as of June 14, 2017 and a 1.5% annual growth in taxable value of the District.
 *** 20 year average SBLF interest rate is 4.283%

Michigan Finance Authority (PFM Financial Advisors, LLC)

	\$290,200,000	
	2017 SLRF Refunding	
	Amount	fee as %
<u>MFA ISSUANCE COSTS:</u>		
MFA Authority Fee - ASSUMED WAIVED	0.00	0.000%
Attorney fees		
Note/Bond Counsel - ESTIMATED	225,000.00	0.078%
Note/Bond Counsel Expenses	0.00	0.000%
Total Attorney Fees	225,000.00	0.078%
Trustee / Paying Agent:		
Acceptance Fees	\$2,000	0.001%
Legal Opinions	\$1,500	0.001%
Annual Administration Fee	\$2,000	0.001%
Total MFA Cost	\$230,500.00	0.079%
<u>LOCAL ISSUE COSTS:</u>		
Attorney Fees		
Note/Bond Counsel	\$214,380.00	0.074%
Bankruptcy Opinion, if necessary	0.00	0.000%
Total Attorney Fees/Expenses	214,380.00	0.074%
Financial Advisor Fee		
Financial Advisor	\$100,000.00	0.034%
Financial Advisor - (MAC Fee & Expenses)	650.00	0.000%
Total Financial Advisor Fees/Expenses	100,650.00	0.035%
Other		
Treasury Filing Fee	2,000.00	0.001%
School Loan Revolving Fund Fee	62,000.00	0.021%
Additional Proceeds / Contingency	1,970.00	0.001%
Total Local Issue Cost	\$381,000.00	0.131%
<u>BANK FEE/COSTS:</u>		
Bank Fee		
Bank Counsel	40,000.00	0.014%
Expenses	0.00	0.000%
Total Underwriter Fees	40,000.00	0.014%
TOTAL COST OF ISSUANCE (MFA and local)	\$651,500.00	0.225%
TOTAL COSTS WITHOUT MFA ISSUANCE	\$426,500.00	0.147%

a	Financial Update
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STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

DETROIT FINANCIAL REVIEW COMMISSION

SCHOOL DISTRICT RESOLUTION 2017-13

**APPROVING THE COMMUNITY DISTRICT'S JUNE 2017 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 June 26, 2017, 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 June 2017 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 Summary

The following contracts are being provided to the Board of Education 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 six (6) of the Michigan Financial Review Commission Act

Department & Contract No.	Contractor	Contract amount	Contract term	Purpose
Operations 15-0220-C – Food Storage, Distribution and Warehousing	US Foods, Inc.	No change in the original NTE amount (i.e., \$19,000,000.00 for the first contract period and \$120,000,000.00 NTE)	Renewal: July 1, 2017 through June 30, 2018	To provide distribution of US Department of Agriculture (USDA) commodities and food, and commercial food service items, as well as warehousing of USDA food and food service items
Operations 01-10-14-0-2014 (Zone 2 – Amendment 1)	US Metro Group	\$16,925,650.00 NTE	Renewal: July 1, 2017 – June 30, 2018	To provide complete facility management including engineering, custodial and maintenance within Zone 2 and EAA schools.
Information Technology 17-0065-C-1	Vision Pro, LLC	\$5,500,000.00 NTE	New: July 1, 2017 to June 30, 2018, with two (2) one-year renewal options	To provide approximately 57 professional staff for Information Technology (IT) related short and long term positions that will provide services to the Department of Information Technology.
Information Technology 17-0094-C	CW Professional Services LLC, dba Lochbridge (f.k.a. Compuware)	\$2,400,000.00 NTE	New: July 1, 2017 to June 30, 2018, with two (2) one-year renewal options	To provide approximately 13 part-time professional staff for Information Technology (IT) related short and long term positions that will provide services to the Department of Information Technology.
2016-2017 Summer School Payment Agreement	DPSCD	\$2,190,000.00	Summer 2017 (summer school)	EAA payments to DPSCD for summer school
EAA Rent Payment Memorandum Agreement (Amendment No. 1)	DPSCD	\$5,046,316.00	July 2016 – December 2017	Amendment to the current rent agreement with EAA to include additional terms

Contract Requests – Detail

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
Operations	15-0220-C – Food Storage, Distribution and Warehousing	<p>Initial Contract Amount: \$19,000,000.00 for the first contract period and not to exceed \$120,000,000.00 with the exercise of the renewal options</p> <p>Contract Amendment Amount: No change in the original not-to-exceed (NTE) amounts</p> <p>Original Contract Period: November 15, 2015 through June 30, 2016, with three (3) one-year renewal options</p> <p>Prior Contract Renewal Period: July 1, 2016 through June 30, 2017, with two (2) remaining renewal options.</p> <p>Contract Renewal Period: July 1, 2017 through June 30, 2018, with one (1) remaining renewal option.</p> <p>Funding Source: Food Service</p> <p>Budgeted Amount for fiscal year ending June 30, 2018: \$22,700,000, subject to approval of budget</p> <p>Purpose: To provide distribution of US Department of Agriculture (USDA) commodities and food, and commercial food service items, as well as warehousing of USDA food and food service items.</p> <p>Contractor: US Foods, Inc.</p> <p>Location: 28001 Napier Road, Wixom, Michigan 48393</p>	Contract Renewal	Yes	No. DPSCD manual requires best available value, not lowest bid – Supplier chosen, based on experience capability and cost	Approval by Board on 6/13/17 Anticipated Approval by FRC 6/20/17	
Operations	01-10-14-0-2014- Zone2 Amendment 1	<p>Contract Renewal Amount 17/18: \$11,800,000.00 NTE</p> <p>Contract EAA Amendment Amount: \$5,125,650</p> <p>Total 17/18 amount: \$16,925,650</p> <p>Contract Renewal Period: July 1, 2017 – June 30, 2018 exercising the fourth year renewal option.</p> <p>Source: General Fund</p> <p>Budgeted Amount for fiscal year ending June 30, 2017: \$11,800,000.00</p> <p>Purpose: To provide complete facility management including engineering, custodial and maintenance within Zone 2 and EAA schools.</p> <p>Contractor: US Metro Group</p> <p>Location: 605 South Wilton Place Los Angeles CA 90005</p>	Contract Renewal	Yes 2014	Yes. See comments.	Approval by Board 6/13/17 Anticipated Approval by FRC 6/29/17	

Contract Requests – Detail cont.

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
Information Technology	17-0065-C-1	<p>Contract Amount: \$5,500,000 NTE (base period) Contract Period: July 1, 2017 to June 30, 2018, with two (2) one-year renewal options Source: General Fund Budgeted Amount for fiscal year ending June 30, 2018: \$5,500,000. Purpose: To provide approximately 57 professional staff for Information Technology (IT) related short and long term positions that will provide services to the Department of Information Technology. Contractor: VisionPRO, LLC Location: Detroit, MI</p>	New	Yes	NA – varies by posted position. DPSCD manual requires best available value, not lowest bid	Approval by Board: 6/13/17 Anticipated Approval by FRC: 6/20/17	
Information Technology	17-0094-C	<p>Contract Amount: \$2,400,000 NTE (base period) Contract Period: July 1, 2017 to June 30, 2018, with two (2) one-year renewal options Source: General Fund Budgeted Amount for fiscal year ending June 30, 2018: \$2,400,000. Purpose: To provide approximately 13 professional staff for Information Technology (IT) related short and long term positions that will provide services to the Department of Information Technology. Contractor: CW Professional Services LLC, dba Lochbridge (formerly Compuware) Location: Detroit, MI</p>	New	Yes	NA – varies by posted position. DPSCD manual requires best available value, not lowest bid	Approval by Board: 6/13/17 Anticipated Approval by FRC: 6/20/17	

Contract Requests – Detail cont.

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
<p>2016-2017 Summer School Payment Agreement</p>	<p>NA</p>	<p>Contract Amount: \$2,190,000.00 Contract Period: Summer 2017 (summer school) Funding: EAA to pay DPSCD Budgeted Amount for fiscal year ending June 30, 2018: \$0. Purpose: EAA payments to DPSCD for summer school. Contractor: DPSCD Location: Detroit, MI</p>	<p>New</p>	<p>NA</p>	<p>NA</p>	<p>Approval by Board: 6/13/17 Anticipated Approval by FRC: 6/26/17</p>	<p><u>EAA payments to DPSCD for Summer School</u></p> <ul style="list-style-type: none"> \$40,000 Payment for IT 2017 Summer School Staff \$150,000 General Fund Summer School Payment \$2,000,000 Federal Title Fund Payment for Summer School Any funds transferred to DPSCD pursuant to this agreement, and not fully expended as contemplated herein, will be retained by DPSCD to be used for educational purposes
<p>EAA Rent Payment Memorandum Agreement (Amendment No. 1)</p>	<p>NA</p>	<p>Contract Amount: \$5,046,316.00 Contract Period: July 2016 – December 2017 Funding: EAA to pay DPSCD Budgeted Amount for fiscal year ending June 30, 2017: \$2,499,999.00. Budgeted Amount for fiscal year ending June 30, 2018: \$2,546,317.00. Purpose: Amendment to the current rent agreement with EAA to include additional terms. Contractor: DPSCD Location: Detroit, MI</p>	<p>Amd.</p>	<p>NA</p>	<p>NA</p>	<p>Approval by Board: 6/13/17 Anticipated Approval by FRC: 6/26/17</p>	<p><u>Notable Considerations</u></p> <ul style="list-style-type: none"> The proposed agreement to amend the current agreement of \$2,499,999 to \$5,046,315, which is comprised of: <ul style="list-style-type: none"> \$1,200,000 for capital improvements \$1,346,316 to support the continuity of qualified staff, educational programming and project management support for the transition to DPSCD

Contract Requests cont.

Operations

15-0220-C – Food Storage, Distribution and Warehousing

Recommended Action: Approval of one-year renewal of the contract with US foods, Inc., for the renewal period of July 1, 2017 to June 30, 2018.

Consequence of Non-Approval: The District will not be able to operate its food service program, which provides free and reduced lunches to 100% of the district's elementary, middle and high school students. The District also manages and operates the food service programs for neighboring school districts and charter schools.

Executive Summary:

- Original Term and Amount: November 15, 2015 through June 30, 2016, with three (3) one-year renewal options. The original contract amount was \$19,000,000.00 for the first contract period and included a total not to exceed amount of \$120,000,000.00 with the renewal options.
- Current Renewal Request: July 1, 2017 through June 30, 2018, with no change in the original NTE amounts.
- Bid Process: Request for Proposal 15-0220-C was issued on Demandstar, 89 companies were notified and three bidders responded – Us Foods, Van Eerden and Sun Valley Foods Company. DPSCD's evaluation team, which consisted of five individuals, (scoring each bidder independently), evaluated the vendor proposals, awarded evaluation points and ranked the proposals on the clarity and completeness of the responses. As a result of the foregoing, the evaluation team recommended that the contract be awarded to US Foods, based on its experience, capability and cost. The RFP includes requests for disclosure relating to conflicts of interests, DPSCD familial relationships, applicable economic sanctions and the use of subcontractors.

Contract Requests cont.

Operations

15-0220-C – Food Storage, Distribution and Warehousing

- Amounts expended or anticipated to be expended under the Contract as of the date hereof:
 - Original Contract Amount: \$19,000,000.00 for year one
 - Total not to exceed contract amount: \$120,000,000.00, with renewals
 - Total Contract Amount Expended for 2015/2016 school year: \$20,400,000
 - Total Contract Amount Projected for 2016/2017 school year: \$21,500,000
 - Estimated contract amount remaining: \$78,100,000
 - Budgeted contract amount for fiscal year 2017/2018: \$22,700,000

- Rebates: DPSCD will receive rebate and discount checks from US Foods on a quarterly basis. Discounts originate from a 1% discount off of total purchases and 0.50% from exclusive brand products. In addition, the District will receive an additional 0.50% discount for all invoices paid N20.
- Services: US Foods is responsible for receiving, handling, storing and distributing fruits and vegetables, perishable, shelf-stable, and end product foods used in the food service program. US Foods provides distribution of commercial food and food service related supply items and distribution and warehousing of USDA donated food (which includes produce, brown box items and manufacturer processed) and food service related supply items used in DPSCD's food service program.
- Renewal Process: Detroit Public Schools Community District has been working collaboratively with US Foods and its account representative to provide healthy meals to our students. Throughout this contract, US Foods has provided DPSCD with exemplary service, reliability and a competitive product.
- DPSCD Executive Managing the Contract: Kenneth Tokarz, Deputy Superintendent of Operations.

Contract Requests cont.

Operations

01-10-14-0-2014-Zone2 (Amendment 1)

Recommended Action: Approval of a one-year option to renew the contract with US Metro Group for the renewal period of July 1, 2017-June 30, 2018, for an NTE amount of \$11,800,000.00 and to amend the contract to add the EAA schools for a NTE amount of \$5,125,650 for combined total NTE amount of \$16,925,650.

Consequence of Non-Approval: The buildings must be cleaned and maintained to support school operations, non – approval could result in a lapse of service non-compliance and unwarranted media and regulatory scrutiny.

Executive Summary:

- Original Bid Process: Request for Proposal 01-10-14-0-2014 was issued on Demand star with 7 bidders responding. DPS' evaluation team recommended that the contract be awarded to DTZ, Inc., but DPS and DTZ were unable to agree on contract terms. DPS then reached out to the second bidder, Aramark, and again, the parties were unable to agree on contract terms. DPS subsequently divided the district into three zones and awarded contracts to The Facility Group, Inc., US Metro and Lakeshore Rickman Joint Venture, LLC.
- Renewal and Amendment Process: DPSCD invited the three suppliers to provide renewal pricing and to make presentations of their accomplishments over the past three years. Based on pricing (including a negotiated discount) and the presentations, DPSCD administration is recommending that DPSCD exercise an option to renew the contract for Zone 1I for one year with US Metro Group. The Board and FRC approved amendments to contracts with the suppliers for Zones I and III in March, 2017. With respect to the EAA schools, the current contracts permit the addition and removal of schools; accordingly, each current supplier was asked to provide quotes for services for the EAA schools. US Metro provided the lowest quote and therefore the district is recommending the addition of the EAA to US Metro's contract in conjunction with the renewal.
- Supplier Information: 95% of US Metro Group employees are residents of the City of Detroit. US Metro Group has volunteered time and resources to several organizations within the City of Detroit and has entered into a construction training program partnership with Randolph Career Training Center.

Contract Requests cont.

Operations

01-10-14-0-2014-Zone2 (Amendment 1)

- Zone I is comprised of 3,867,878 square feet and includes: Adult Education Center West, Ann Arbor Trail Magnet School, Bagley Elementary School, Bates, Academy, Bow Elementary/Middle School, Breithaupt Career and Technical Center, Carver Elementary/Middle School, Cody High School, Communication Media Arts, Cooke Elementary School, DCP @ Northwestern, Detroit International Academy for Young Women, Dixon Educational Learning Academy, Dossin Elementary Middle School, Charles Drew Transition Center, Dixon Elementary, Emerson Elementary/Middle School, Foreign Language Immersion Center, Gardner Elementary School, Gompers Elementary Middle School, Henderson Academy, King John R Performing Arts Academy, Ludington Magnet Middle School, Mackenzie Elementary Middle School, Mann Elementary School, Munger Elementary/Middle School, Noble Elementary/Middle School, Pasteur Elementary School, Priest Elementary/Middle School, Randolph Career Training Center, Robeson/Malcom X Academy, Sampson Webber Academy, Thirkell Elementary School, Vernor Elementary School, Westside Bus Terminal, Charles Wright Academy and Coleman A Young Elementary.
- EAA schools consist of 11 schools: Bethune, Burns, Central, Denby, Henry Ford, Law, Mumford, Nolan, Pershing, Brenda Scott and Southeastern and is comprised of 2,007,021 square feet.
- The average square foot cost of this renewed and amended contract is \$2.88/ square foot (the median cost of similar services from the Council of Great City Schools is \$3.15 with a range of \$2.39 to \$3.62/ square foot).
- Renewed and amended bid is inclusive of: 2 Administrators, 241 custodians (\$11.00 - \$12.00), 64 engineers (\$19.00 - \$30.00) and 25 skilled trades (\$22.00 - \$30.00)
- Per section C, subsection III, item 2 of the contract DPSCD will issue a separate purchase order for parts which the contractor will bill against, this averaged out to \$121,460 per month for the past 36 months, including EAA schools.
- DPSCD Executive Managing the Contract: Kenneth Tokarz, Deputy Superintendent of Operations and Auxiliary Services.

Contract Requests cont.

Information Technology

17-0065-C-1

Recommended Action: Approval of a one-year contract with VisionPRO, LLC to provide professional staffing for Information Technology (IT) related short and long term positions that will provide services to the Department of Information Technology, for the one-year period commencing July 1, 2017 and ending June 30, 2018, with two (2) one-year renewal options, for a NTE amount of \$5,500,000 for the initial one-year period.

Consequence of Non-Approval: DPSCD Department of Information Technology Services (IT) provides technology services to over 100 schools and administrative sites and supports approximately 7,000 staff and 50,000 students. This support includes educational software applications for all the schools, including district wide technology and software support for over 45,000 computing devices. The contract also provides central call center agents who handle over 2,000 weekly calls from parents, staff, and community members. These calls include the District's parent hotline for special events, school closures and emergencies, student transportation issues, and enrollment help. Calls from staff and alumni are received for employee benefit information, technical support with district websites, hardware, and software, as well as student transcript requests. These calls generate an average of 800 service requests each week. These contractors also provide service for several hundred weekly requests for equipment service and new hardware deployments. These contractors maintain and operate the District's email, websites, telephones, Internet, data center, financial and HR systems including payroll processes. 24/7 support is provided to the DPSCD Police department for security alarms, surveillance cameras, Police vehicle laptops and building access control.

The department currently has only eight (8) employees.

Without the approximately 57 full and part time contracted personnel to be provided by this contract and the approximately 18 to be provided by the other staff augmentation contracts, DPSCD IT would not be able to provide the necessary technical services to all schools and central offices.

Contract Requests cont.

Information Technology

17-0065-C-1

Executive Summary:

- Term and Amount: July 1, 2017 to June 30, 2018, with two (2) one-year renewal options, for a NTE amount of \$5,500,000 for year one.
- Bid Process: Request for Proposal 17-00065C was issued on Demandstar and 17 bidders responded. The RFP includes requests for disclosure relating to conflicts of interests, DPSCD familial relationships, applicable economic sanctions and the use of subcontractors. The District is awarding 4 contracts under this RFP, with the suppliers listed below for the following NTE amounts in the initial one-year period:
 - VisionPRO, LLC, a Vision Information Technologies, Inc. company = \$5,500,000 (57 contractors)
 - CW Professional Services LLC, dba Lochbridge 17-0094 (formerly Compuware) = \$2,400,000 (13 contractors - data center engineers and project managers)
 - Direct Internet 17-0096 = \$230,000 (2 contractors)
 - BTU Consultants LLC 17-0097 = \$80,000 (3 part-time contractors)

These four suppliers were selected because of their solid written proposals, current track record, and answers to in-person interviews which all demonstrated their ability to provide qualified contracted resources to a large K-12 school district in the specific technical areas requested by DPSCD.

- Supplier: VisionPRO, LLC (doing business as Vision IT) has previously provided staff augmentation services to the District. This supplier currently provides 57 contractors who provide technical field support, application developers, project managers, web developers, database analysts, and call center services. This contract will enable the district to maintain these contractors who are well acquainted with the District's technology and software at their current hourly rates and provides negotiated hourly rates for new personnel.
- Services. Provide professional staffing for Information Technology (IT) related short and long term positions that will provide services to the Department of Information Technology and the Transportation Department.
- Conversion of Staff to Employees. The contract allows the District to hire the contractors after six months, without the payment of any additional non-compete, hiring or other administrative fees. The conversion of IT contractors to FTEs is estimated to save the District an average of 10% per person in annual general fund costs.
- DPSCD Executive Managing the Contract: Mark Bartoski, Executive Director of Information Technology.

Contract Requests cont.

Information Technology

17-0094-C

Recommended Action: Approval of a one-year contract with CW Professional Services LLC to provide professional staffing for Information Technology (IT) related short and long term positions that will provide services to the Department of Information Technology, for the one-year period commencing July 1, 2017 and ending June 30, 2018, with two (2) one-year renewal options, for a NTE amount of \$2,400,000 for the initial one-year period.

Consequence of Non-Approval: DPSCD Department of Information and Technology Services (IT) provides technology services to over 100 schools and administrative sites and supports approximately 7,000 staff and 50,000 students. This support includes educational software applications for all the schools, including district wide technology and software support for over 45,000 computing devices. The contract also provides central call center agents who handle over 2,000 weekly calls from parents, staff, and community members. These calls include the District's parent hotline for special events, school closures and emergencies, student transportation issues, and enrollment help. Calls from staff and alumni are received for employee benefit information, technical support with district websites, hardware, and software, as well as student transcript requests. These calls generate an average of 800 service requests each week. These contractors also provide service for several hundred weekly requests for equipment service and new hardware deployments. These contractors maintain and operate the District's email, websites, telephones, Internet, data center, financial and HR systems including payroll processes. 24/7 support is provided to the DPSCD Police department for security alarms, surveillance cameras, Police vehicle laptops and building access control.

The department currently has only eight (8) employees.

Without the approximately 13 full and part time contracted personnel to be provided by this contract and the approximately 62 to be provided by the other staff augmentation contracts, DPSCD IT would not be able to provide the necessary technical services to all schools and central offices.

Contract Requests cont.

Information Technology

17-0094-C

Executive Summary:

- Term and Amount: July 1, 2017 to June 30, 2018, with two (2) one-year renewal options, for a NTE amount of \$2,400,000 for each year of the base period for a total of NTE \$2,400,000 for the initial one-year period.
- Bid Process: Request for Proposal 17-00065C was issued on Demandstar and 17 bidders responded. The RFP includes requests for disclosure relating to conflicts of interests, DPSCD familial relationships, applicable economic sanctions and the use of subcontractors. The District is awarding 4 contracts under this RFP, with the suppliers listed below for the following NTE amounts in the initial one-year period:
 - VisionPRO, LLC, a Vision Information Technologies, Inc. company = \$5,500,000 (57 contractors)
 - CW Professional Services LLC, dba Lochbridge 17-0094 (formerly Compuware) = \$2,400,000 (13 contractors - data center engineers and project managers)
 - Direct Internet 17-0096 = \$230,000 (2 contractors)
 - BTU Consultants LLC 17-0097 = \$80,000 (3 part-time contractors)
- These four suppliers were selected because of their solid written proposals, current track record, and answers to in-person interviews which all demonstrated their ability to provide qualified contracted resources to a large K-12 school district in the specific technical areas requested by DPSCD.
- Supplier: CW Professional Services LLC (doing business as Lochbridge) has previously provided staff augmentation services to the District. This supplier currently provides 13 contractors who provide technical field support, application developers, project managers, web developers, database analysts, data center and network services. This contract will enable the district to maintain these contractors who are well acquainted with the District's technology and software at their current hourly rates and provides negotiated hourly rates for new personnel.
- Services. Provide professional staffing for Information Technology (IT) related short and long term positions that will provide services to the Department of Information Technology and the Transportation Department.
- Conversion of Staff to Employees. The contract allows the District to hire the contractors after six months, without the payment of any additional non-compete, hiring or other administrative fees. The conversion of IT contractors to FTEs is estimated to save the District an average of 10% per person in annual general fund costs.
- DPSCD Executive Managing the Contract: Mark Bartoski, Executive Director of Information Technology.

2016-2017 Summer School Payment Agreement

EAA payments to DPSCD for summer school

- \$40,000 Payment for IT 2017 Summer School Staff
 - Assist in the payment of wages of former EAA IT staff members to provide IT related services during 2017 summer school that is administered by DPSCD
 - the placement of up to one IT Specialist at each summer school site
- \$150,000 General Fund Summer School Payment
 - To defray the cost of DPSCD's administering 2017 summer school
- \$2,000,000 Federal Title Fund Payment for Summer School
 - To defray the costs of administering 2017 summer school
 - Funds will be used to pay allowable costs including, but not limited to:
 - Summer programming for approximately 2,000 former EAA students on former EAA campuses/school sites
 - Medical, dental and vision insurance benefits beginning on July 1, 2017 to former EAA staff who DPSCD hires to work summer school
 - The purchases of curriculum, materials and supplies for use in summer school and custodial, security, transportation, utilities, maintenance and grounds service for summers school.
- Any funds transferred to DPSCD pursuant to this agreement, and not fully expended as contemplated herein, will be retained by DPSCD to be used for educational purposes

AMENDMENT No. 1 Rent Payment Memorandum Agreement

Notable Considerations

- **Total Amount of Payment**
 - The parties agree that the total of payments required to be paid to DPSCD under the Original Agreement (i.e., \$2,499,999) plus this Amendment is \$5,046,315
- **Additional Rent**
 - The EAA will pay additional rent payments to DPSCD in the amount of \$1,200,000 for building renovations to former EAA operated school buildings
- **Support Costs**
 - The EAA will provide funds to support the continuity of qualified staff and educational programming at the returned schools in the amounts of:
 - \$750,000 to offset employment costs associated with hiring qualified principals and leaders
 - \$596,316 for project management support from July 2017 through December 2017

a	Financial Update
b	DPSCD FY 2017 Budget Amendment # 5
c	DPSCD PRELIMINARY Budget FY 2018
d	DPS FY 2017 Budget Amendment # 2
e	DPS PRELIMINARY Budget FY 2018
f	DPS Bond Refinancing
g	Requests For Approval (Contracts)
h	Requests For Approval (Out-of-State Travel)
i	Appendix



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

DETROIT FINANCIAL REVIEW COMMISSION

SCHOOL DISTRICT RESOLUTION 2017-14

APPROVING THE COMMUNITY DISTRICT'S JUNE 2017 OUT-OF-STATE TRAVEL REIMBURSEMENT 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 21, 2016; and

WHEREAS, Section 7(q) of the Act provides that during the period of oversight, the Commission approve all Community District reimbursements to school board members, officials, and employees for travel outside the state; and

WHEREAS, at the Commission meeting on June 26, 2017, the Community District presented out-of-state travel reimbursement requests, 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 June 2017 out-of-state travel reimbursement requests, attached as **Exhibit A** to this Resolution but excluding any reimbursements 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.

Out-of-State Travel Reimbursement Requests

The following reimbursements to school board members, officials, and employees for travel outside the state are being provided to the FRC for review and approval pursuant to section 7(q) of the Michigan Financial Review Commission Act

Conference Name	Location of Trip	Dates of Conference	School/ Department	Central Office	School-Based	Participants	Student	Faculty	Funding Source	Total Est. Cost	Approved by:
Grant Funds											
ASCD Conference	Denver, CO	6/29/2017-7/3/17	Office of Mathematics		x	7	0	7	Grants	12,141.00	Title IIA; MDE approved May 2017 (\$6,309.25 will come from General Funds)
NABE's Dual Language Symposium	DelRay Beach, FL	7/9/17-7/12/17	Office of Bilingual Ed		x	3	0	3	Grants	8,471.00	Section 31a At-Risk; MDE approved May 2017
21st Century Summer Summit	Philadelphia, PA	7/25/17-7/28/17	Network 1	x		3	0	3	Grants	5,417.84	21st Century; MDE Approved June 2017
Closing the Achievement Gap	Boston, Mass	7/9/17-7-15-17	Osborn Evergreen		x	1	0	1	Grants	5,936.00	School Improvement Grant; MDE Approved June 2017
Imagination Station	Toledo, OH	7/6/17	J.R. King		x	29	25	4	Grants	449.78	21st Century; MDE approved May 2017
Total						43	25	18		\$32,415.62	
General Funds											
ASCD Conference	Denver, CO	6/29/2017-7/3/17	Office of Mathematics		x	7	0	7	General Fund	6,309.25	Interim Superintendent
Total						7	0	7		\$6,309.25	
Grand Total						50	25	25		\$38,724.87	

a	Financial Update
b	DPSCD FY 2017 Budget Amendment # 5
c	DPSCD PRELIMINARY Budget FY 2018
d	DPS FY 2017 Budget Amendment # 2
e	DPS PRELIMINARY Budget FY 2018
f	DPS Bond Refinancing
g	Requests For Approval (Contracts)
h	Requests For Approval (Out-of-State Travel)
i	Appendix

i	Additional financial information
ii	Monthly budget to actual variance
iii	Monthly cash forecast to actual variance

DPSCD summary statement of revenues and expenditures – year-over-year comparison

	Year-over-Year Comparison Current Month				Year-over-Year Comparison YTD				
	Actual	Actual	Variance		Actual	Actual	Variance		
	Month of	Month of	\$	%	YTD	YTD	\$	%	
	Apr-16	Apr-17			Apr-16	Apr-17			
Revenues									
Local sources ¹	\$ 1,445,530	\$ 873,829	\$ (571,701)	(40%)	\$ 53,469,973	\$ 17,348,328	\$ (36,121,645)	(68%)	
State sources ¹	30,563,412	40,181,757	9,618,344	31%	351,517,605	361,877,221	10,359,616	3%	
Federal sources	20,652,667	9,688,816	(10,963,851)	(53%)	125,040,714	87,555,452	(37,485,263)	(30%)	
Interdistrict sources ²	3,644,575	1,027,441	(2,617,134)	(72%)	24,106,268	32,710,834	8,604,565	36%	
Other sources ³	-	(323)	(323)	-	881,050	50,149,549	49,268,499	5592%	
Total Revenues	56,306,184	51,771,521	(4,534,663)	(8%)	555,015,611	549,641,384	(5,374,227)	(1%)	
Expenditures									
Instruction	24,488,438	25,207,512	719,074	3%	240,073,816	225,377,781	(14,696,035)	(6%)	
Support services	13,413,644	20,088,700	6,675,056	50%	232,200,491	223,831,131	(8,369,360)	(4%)	
Community service	43,450	131,793	88,343	203%	4,591,580	1,496,829	(3,094,751)	(67%)	
Facilities acquisitions and improvement	-	-	-	-	-	95,093	95,093	-	
Debt service ⁴	7,694,616	-	(7,694,616)	(100%)	47,448,655	-	(47,448,655)	(100%)	
Other uses	-	-	-	-	(2,038,613)	-	2,038,613	(100%)	
Total Expenditures	45,640,151	45,428,005	(212,143)	(0%)	522,275,929	450,800,833	(71,475,096)	(14%)	
Surplus (Deficit)	\$ 10,666,033	\$ 6,343,515	\$ (4,322,521)	(41%)	\$ 32,739,681	\$ 98,840,550	\$ 66,100,869	202%	

Notes regarding the impact of the legislation that created DPSCD

- Property tax receipts are diverted into DPS, in return State Aid receipts were increased to the full foundation allowance
- Reflects \$15m advance of Act 18 funds from WRESA to provide start-up liquidity. Includes revenue for Charter School services and EAA agreement.
- Includes estimated ending cash balance of DPS as well as \$25m of dedicated transition funds
- DPSCD no longer has debt service.

DPSCD detail statement of expenditures by object level – year-over-year comparison

	Year-over-Year Comparison Current Month					Year-over-Year Comparison YTD				
	Actual	Actual	Variance		Actual	Actual	Variance			
	Month of	Month of		%	YTD	YTD		%		
	Apr-16	Apr-17	\$	%	Apr-16	Apr-17	\$	%		
Salaries	\$ 25,048,176	\$ 22,595,512	\$ (2,452,664)	(10%)	\$230,537,079	\$ 206,273,287	\$ (24,263,792)	(11%)		
Benefits	11,355,480	12,334,143	978,664	9%	119,948,748	112,966,017	(6,982,731)	(6%)		
Purchased Services	(135,795)	8,962,250	9,098,045	(6700%)	96,575,175	103,240,230	6,665,055	7%		
Supplies & Textbooks	5,375	1,389,810	1,384,435	25757%	10,083,229	10,731,902	648,673	6%		
Equipment & Capital	-	73,712	73,712	-	543,730	4,350,862	3,807,132	700%		
Utilities	(1,169,000)	72,577	1,241,577	(106%)	12,553,962	13,238,536	684,574	5%		
Debt Service ¹	12,279,965	-	(12,279,965)		52,034,005	-	(52,034,005)			
Other	(1,744,054)	-	1,744,054	(100%)		-	-	-		
Total Expenditures	\$ 45,640,146	\$ 45,428,005	\$ (212,143)	(0%)	\$ 522,275,928	\$ 450,800,834	\$ (71,475,095)	(14%)		

Note regarding the impact of the legislation that created DPSCD

1. DPSCD no longer has debt service.

- i** Additional financial information
- ii** Monthly budget to actual variance
- iii** Monthly cash forecast to actual variance

DPSCD FY17 Budget Amendment No. 4 to Actuals Variance – March 2017

<i>\$ in thousands</i>	March Budget	March Actuals	March Variance	Comment
Revenues				
Local sources	\$ 6,333,572	\$ 4,506,573	\$ (1,826,999)	
State sources	35,340,362	33,410,581	(1,929,781)	Timing difference of grant receipts
Federal sources	11,243,112	15,055,132	3,812,020	Timing difference of grant receipts
Interdistrict sources	4,864,201	5,007,099	142,898	
Other sources	6,000,000	6,000,000	-	
Total revenues	63,781,247	63,979,386	198,139	
Expenditures				
Instruction	36,814,615	28,181,146	(8,633,469)	Lower than expected salaries and benefits spend
Support services	31,005,785	26,874,687	(4,131,098)	Lower than expected salaries and benefits spend
Community service	601,980	135,118	(466,862)	
Facilities acquisitions and improvement	-	-	-	
Debt service	-	-	-	
Other uses	-	-	-	
Total Expenditures	68,422,380	55,190,951	(13,231,429)	
Surplus (Deficit)	\$ (4,641,133)	\$ 8,788,435	\$ 13,429,567	

	March Budget	March Actuals	March Variance	Comment
Personnel	\$ 30,629,481	\$ 23,361,735	\$ (7,267,746)	Lower than expected salaries and benefits spend
Benefits	17,723,403	12,595,546	(5,127,857)	Lower than expected salaries and benefits spend
Purchased Services	15,307,923	15,681,137	373,214	
Supplies & Textbooks	2,008,911	1,956,066	(52,845)	
Equipment & Capital	1,357,847	-	(1,357,847)	
Utilities	1,394,815	1,596,467	201,652	
Debt Service	-	-	-	
Other	-	-	-	
Total Expenditures	\$ 68,422,380	\$ 55,190,951	\$ (13,231,429)	

DPSCD FY17 Budget Amendment No. 3 to Actuals Variance – February 2017

<i>\$ in thousands</i>	February Budget	February Actuals	February Variance	Comment
Revenues				
Local sources	\$ 3,481,683	\$ 4,170,793	\$ 689,110	
State sources	38,445,085	37,358,069	(1,087,016)	
Federal sources	10,967,462	(9,298,973)	(20,266,435)	A true-up of grant revenues to grant expenditures for the period through February was undertaken
Interdistrict sources	2,506,213	1,019,599	(1,486,614)	
Other sources	-	426,967	426,967	Additional DPS ending cash balance at 6/30/16 was transferred to DPSCD
Total revenues	55,400,443	33,676,455	(21,723,988)	
Expenditures				
Instruction	27,383,071	26,205,499	(1,177,572)	
Support services	25,765,976	17,791,693	(7,974,283)	
Community service	474,604	85,182	(389,422)	
Facilities acquisitions and improvement	61,595	-	(61,595)	
Debt service	-	-	-	
Other uses	-	-	-	
Total Expenditures	53,685,246	44,082,374	(9,602,872)	
Surplus (Deficit)	\$ 1,715,197	\$ (10,405,919)	\$ (12,121,116)	

	February Budget	February Actuals	February Variance	
Personnel	\$ 24,234,992	\$ 23,165,014	\$ (1,069,978)	
Benefits	13,787,025	13,322,047	(464,978)	
Purchased Services	12,131,967	6,265,613	(5,866,354)	A true-up of grant revenues to grant expenditures was undertaken to ensure that revenues are not being overstated given lower expenditures
Supplies & Textbooks	1,741,423	1,009,342	(732,081)	
Equipment & Capital	416,632	-	(416,632)	
Utilities	1,373,207	320,357	(1,052,850)	
Debt Service	-	-	-	
Other	-	-	-	
Total Expenditures	\$ 53,685,246	\$ 44,082,373	\$ (9,602,873)	

DPSCD FY17 Budget Amendment No. 3 to Actuals Variance – January 2017

<i>\$ in thousands</i>	January Budget	January Actuals	January Variance	Comment
Revenues				
Local sources	\$ 3,508,360	\$ 2,320,434	\$ (1,187,926)	
State sources	36,250,714	34,378,984	(1,871,730)	
Federal sources	21,775,352	10,924,043	(10,851,309)	Timing differences in Budget to Actual for Federal source and Wayne RESA Act 18 expenditures and associated receipt of grant monies
Interdistrict sources	2,900,425	1,105,901	(1,794,524)	
Other sources	-	-	-	
Total revenues	64,434,851	48,729,363	(15,705,488)	
Expenditures				
Instruction	29,830,252	24,496,656	(5,333,596)	Budget includes unfilled vacancies
Support services	25,917,262	25,228,471	(688,791)	
Community service	632,557	72,075	(560,482)	
Facilities acquisitions and improvement	75,830	85,833	10,003	
Debt service	-	-	-	
Other uses	-	-	-	
Total Expenditures	56,455,901	49,883,034	(6,572,867)	
Surplus (Deficit)	\$ 7,978,950	\$ (1,153,671)	\$ (9,132,621)	

	January Budget	January Actuals	January Variance	Comment
Personnel	\$ 25,506,472	\$ 22,533,092	\$ (2,973,380)	Budget includes unfilled vacancies
Benefits	14,749,142	12,355,031	(2,394,111)	Budget includes unfilled vacancies
Purchased Services	12,754,944	12,795,851	40,907	
Supplies & Textbooks	1,965,909	452,834	(1,513,075)	
Equipment & Capital	487,304	-	(487,304)	Funds to be spent on Capital Works when weather improves in the Spring
Utilities	992,130	1,746,224	754,094	
Debt Service	-	-	-	
Other	-	-	-	
Total Expenditures	\$ 56,455,901	\$ 49,883,034	\$ (6,572,867)	

DPSCD FY17 Budget Amendment No. 3 to Actuals Variance – December 2016

<i>\$ in thousands</i>	December Budget	December Actuals	December Variance	Comment
Revenues				
Local sources	\$ 2,934,910	\$ 4,482,261	\$ 1,547,351	Enhancement Millage accrued for accounting purposes from Nov 2016
State sources	34,748,044	33,966,948	(781,096)	
Federal sources	9,972,784	10,728,957	756,173	
Interdistrict sources	2,900,425	2,544,798	(355,627)	
Other sources	10,128,029	3,453,597	(6,674,432)	\$6M in sale proceeds held in escrow from the sale of the radio station in Dec 2016 cannot be recognized as revenue until transfer of the licence
Total revenues	60,684,192	55,176,561	(5,507,631)	
Expenditures				
Instruction	33,669,438	29,466,105	(4,203,333)	Unfilled vacancies
Support services	31,052,031	31,716,523	664,492	
Community service	686,555	119,655	(566,900)	
Facilities acquisitions and improvement	75,830	9,260	(66,570)	
Debt service	-	-	-	
Other uses	-	-	-	
Total Expenditures	65,483,854	61,311,544	(4,172,310)	
Surplus (Deficit)	\$ (4,799,662)	\$ (6,134,983)	\$ (1,335,321)	

	December Budget	December Actuals	December Variance	Comment
Salaries	\$ 32,290,700	\$ 28,912,526	\$ (3,378,174)	Budget includes unfilled vacancies impacting Salaries of ~\$42M
Benefits	15,282,980	12,620,509	(2,662,471)	Budget includes unfilled vacancies impacting Benefits of ~\$22M
Purchased Services	13,392,690	16,885,257	3,492,567	Timing difference
Supplies & Textbooks	1,965,909	1,405,520	(560,389)	
Equipment & Capital	1,497,437	50,000	(1,447,437)	
Utilities	1,054,138	1,437,733	383,595	
Debt Service	-	-	-	
Other	-	-	-	
Total Expenditures	\$ 65,483,854	\$ 61,311,544	\$ (4,172,310)	

DPSCD FY17 Budget Amendment No. 3 to Actuals Variance – November 2016

<i>\$ in thousands</i>	November Budget	November Actuals	November Variance	Comment
Revenues				
Local sources	\$ 267,207	\$ 668,629	\$ 401,422	
State sources	35,852,607	39,307,435	3,454,828	Timing difference of grant receipts
Federal sources	12,714,924	15,936,710	3,221,786	Timing difference of grant receipts
Interdistrict sources	3,050,129	2,254,061	(796,068)	
Other sources	-	-	-	
Total revenues	51,884,867	58,166,836	6,281,969	
Expenditures				
Instruction	37,310,305	25,344,090	(11,966,215)	Unfilled vacancies
Support services	30,052,625	14,645,384	(15,407,241)	Timing difference of purchased services
Community service	454,426	806,934	352,508	
Facilities acquisitions and improvement	75,759	-	(75,759)	
Debt service	-	-	-	
Other uses	-	-	-	
Total Expenditures	67,893,115	40,796,408	(27,096,707)	
Surplus (Deficit)	\$ (16,008,248)	\$ 17,370,428	\$ 33,378,676	

	November Budget	November Actuals	November Variance	Comment
Salaries	\$ 31,467,145	\$ 22,847,341	\$ (8,619,804)	Budget includes unfilled vacancies impacting Salaries of ~\$42M
Benefits	19,871,250	12,107,073	(7,764,177)	Budget includes unfilled vacancies impacting Benefits of ~\$22M
Purchased Services	12,625,964	2,630,480	(9,995,484)	Timing difference
Supplies & Textbooks	1,457,147	1,051,977	(405,170)	
Equipment & Capital	1,355,810	1,158,096	(197,714)	
Utilities	1,115,799	1,001,442	(114,357)	
Debt Service	-	-	-	
Other	-	-	-	
Total Expenditures	\$ 67,893,115	\$ 40,796,408	\$ (27,096,707)	

DPSCD FY17 Budget Amendment No. 2 to Actuals Variance – October 2016

<i>\$ in thousands</i>	October Budget	October Actuals	October Variance	Comment
Revenues				
Local sources	\$ 1,341,884	\$ 272,166	\$ (1,069,718)	
State sources	37,643,697	39,161,171	1,517,474	Timing difference of grant receipts
Federal sources	15,374,504	26,184,110	10,809,606	Timing difference of grant receipts
Interdistrict sources	2,881,037	2,854,855	(26,182)	
Other sources	65,780	-	(65,780)	
Total revenues	57,306,902	68,472,302	11,165,400	
Expenditures				
Instruction	32,971,611	36,007,777	3,036,166	Three pay periods spanned October 2016
Support services	31,746,520	26,825,996	(4,920,524)	Timing difference of purchased services
Community service	360,085	67,041	(293,044)	
Facilities acquisitions and improvement	64,615	-	(64,615)	
Debt service	-	-	-	
Other uses	-	-	-	
Total Expenditures	65,142,831	62,900,814	(2,242,017)	
Surplus (Deficit)	\$ (7,835,929)	\$ 5,571,488	\$ 13,407,417	
<i>Check</i>	-	-		

	October Budget	October Actuals	October Variance	
Personnel	\$ 28,595,358	\$ 30,378,698	\$ 1,783,340	Three pay periods spanned October 2016
Benefits	17,730,689	16,435,887	(1,294,802)	
Purchased Services	12,609,751	7,784,155	(4,825,596)	Timing difference
Supplies & Textbooks	1,355,293	3,290,523	1,935,230	
Equipment & Capital	3,410,322	3,067,978	(342,344)	
Utilities	1,441,418	1,943,574	502,156	
Debt Service	-	-	-	
Other	-	-	-	
Total Expenditures	\$ 65,142,831	\$ 62,900,814	\$ (2,242,017)	

DPSCD FY17 Budget Amendment No. 2 to Actuals Variance – September 2016

<i>\$ in thousands</i>	September Budget	September Actuals	September Variance	Comment
Revenues				
Local sources	\$ 150,359	\$ 35,793	\$ (114,566)	
State sources	36,324,692	40,961,327	4,636,635	Timing difference of grant receipts
Federal sources	9,001,660	4,120,495	(4,881,165)	Timing difference of grant receipts
Interdistrict sources	2,540,857	2,497,874	(42,983)	
Other sources	-	15,269,308	15,269,308	Preliminary ending FY16 DPS cash balance transfer
Total revenues	48,017,568	62,884,797	14,867,229	
Expenditures				
Instruction	31,395,633	21,936,462	(9,459,171)	Budget includes unfilled vacancies
Support services	27,674,800	25,856,544	(1,818,256)	Budget includes unfilled vacancies
Community service	439,733	48,401	(391,332)	
Facilities acquisitions and improvement	-	-	-	
Debt service	-	-	-	
Other uses	-	-	-	
Total Expenditures	59,510,166	47,841,408	(11,668,758)	
Surplus (Deficit)	\$ (11,492,598)	\$ 15,043,389	\$ 26,535,987	
<i>Check</i>		-		

	September Budget	September Actuals	September Variance	Comment
Personnel	\$ 27,233,674	\$ 19,151,249	\$ (8,082,425)	Budget includes unfilled vacancies impacting Salaries of ~\$50M
Benefits	16,942,770	15,361,005	(1,581,765)	Budget includes unfilled vacancies impacting Benefits of ~\$27M
Purchased Services	12,609,751	12,532,443	(77,308)	
Supplies & Textbooks	1,419,831	75,444	(1,344,387)	
Equipment & Capital	-	1,075	1,075	
Utilities	1,304,140	720,192	(583,948)	
Debt Service	-	-	-	
Other	-	-	-	
Total Expenditures	\$ 59,510,166	\$ 47,841,408	\$ (11,668,758)	

DPSCD FY17 Budget Amendment No. 2 to Actuals Variance – August 2016

<i>\$ in thousands</i>	August Budget	August Actuals	August Variance	Comment
Revenues				
Local sources	\$ 181,364	\$ 17,804	\$ (163,560)	
State sources	34,094,809	31,827,346	(2,267,463)	Timing difference of grant receipts
Federal sources	3,576,237	996,134	(2,580,103)	Timing difference of grant receipts
Interdistrict sources	2,540,857	-	(2,540,857)	Timing difference of grant receipts
Other sources	-	-	-	
Total revenues	40,393,267	32,841,284	(7,551,983)	
Expenditures				
Instruction	8,519,787	3,303,558	(5,216,229)	Lower summer school participation
Support services	14,140,453	17,283,059	3,142,606	
Community service	333,507	6,545	(326,962)	
Facilities acquisitions and improvement	-	-	-	
Debt service	-	-	-	
Other uses	-	-	-	
Total Expenditures	22,993,747	20,593,162	(2,400,585)	
Surplus (Deficit)	\$ 17,399,520	\$ 12,248,123	\$ (5,151,397)	

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	August Budget	August Actuals	August Variance
Personnel	\$ 6,253,479	\$ 6,333,760	\$ 80,281
Benefits	3,883,192	885,744	(2,997,448)
Purchased Services	10,610,946	11,106,402	495,456
Supplies & Textbooks	979,536	100,386	(879,150)
Equipment & Capital	-	-	-
Utilities	1,266,594	2,166,870	900,276
Debt Service	-	-	-
Other	-	-	-
Total Expenditures	\$ 22,993,747	\$ 20,593,162	\$ (2,400,585)

DPSCD FY17 Budget Amendment No. 2 to Actuals Variance – July 2016

<i>\$ in thousands</i>	July Budget	July Actuals	July Variance	Comment
Revenues				
Local sources	\$ 150,459	\$ 45	\$ (150,414)	
State sources	34,313,118	31,323,602	(2,989,516)	Timing difference of grant receipts
Federal sources	7,431,528	3,220,027	(4,211,501)	Timing difference of grant receipts
Interdistrict sources	15,374,779	15,000,000	(374,779)	
Other sources	25,000,000	25,000,000	-	
Total revenues	82,269,884	74,543,674	(7,726,210)	
Expenditures				
Instruction	14,397,485	5,228,976	(9,168,509)	Lower summer school participation
Support services	17,056,184	17,520,074	463,890	
Community service	306,493	24,085	(282,408)	
Facilities acquisitions and improvement	-	-	-	
Debt service	-	-	-	
Other uses	-	-	-	
Total Expenditures	31,760,162	22,773,135	(8,987,027)	
Surplus (Deficit)	\$ 50,509,722	\$ 51,770,539	\$ 1,260,817	

	July Budget	July Actuals	July Variance	
Salaries	\$ 12,583,312	\$ 6,994,360	\$ (5,588,952)	Lower summer school participation
Benefits	7,634,824	4,949,033	(2,685,791)	Lower summer school participation
Purchased Services	9,384,749	8,596,642	(788,107)	
Supplies & Textbooks	96,843	-	(96,843)	
Equipment & Capital	-	-	-	
Utilities	2,060,434	2,233,100	172,666	
Debt Service	-	-	-	
Other	-	-	-	
Total Expenditures	\$ 31,760,162	\$ 22,773,135	\$ (8,987,027)	

Appendix

- i** Additional financial information
- ii** Monthly budget to actual variance
- iii** Monthly cash forecast to actual variance

DPSCD Cash Forecast to Actuals Variance – March 2017

<i>\$ in thousands</i>	Forecast	Actuals	Variance	Comment
Cash Receipts				
State Aid	\$ 35,005	\$ 35,002	\$ (3)	
MPSERS (State Funded)	3,182	3,182	-	
Enhancement Millage	4,935	5,261	326	
Grants	16,748	9,546	(7,202)	Reclassified a \$7.5 million transfer to DPS as a reduction to Grants
Transfer from DPS	-	-	-	
WCRESA	2,443	4,361	1,918	
Food Service Reimbursement	4,363	3,689	(675)	
Capital Asset Sales	6,000	6,354	354	
Miscellaneous	504	380	(123)	
Total Cash Receipts	73,181	67,776	(5,405)	
Cash Disbursements				
MPSERS (Pass through)	\$ (3,182)	\$ (3,182)	\$ -	
Payroll Direct Deposit	(20,699)	(20,577)	122	
Taxes	(5,473)	(4,922)	551	
FICA	(1,598)	(1,547)	51	
Accounts Payable	(28,342)	(19,169)	9,172	Timing - disbursements expected during April
Pension (employee portion)	(1,817)	(1,837)	(20)	
Pension (employer portion)	(5,545)	(5,474)	71	
Health	(3,754)	(3,144)	610	
Fringe Benefits	(378)	(166)	211	
Food Service	(5,659)	(2,079)	3,580	Timing - disbursements expected during April
Transfer to DPS	(24,702)	(17,176)	7,527	Reclassified a \$7.5 million transfer to DPS as a reduction to Grants
Other	(576)	(589)	(13)	
Total Cash Disbursements	(101,726)	(79,864)	21,862	
Beginning Cash Balance	83,985	83,985	-	
Net Cash Flow	(28,545)	(12,088)	16,457	
Ending Cash Balance	\$ 55,440	\$ 71,897	\$ 16,457	

Note: The sum of individual month's variances does not equal the cumulative variance for multiple months as the forecast is updated weekly and changes in current month can affect future months (e.g. a receivable that is initially expected in August, subsequently expected in September and finally received in October will show up twice in the monthly variance but only once in the cumulative variance). The March 31, 2017 bank reconciliation was completed on May 1, 2017; reconciled items are in the process of being cleared by cash management.

DPSCD Cash Forecast to Actuals Variance – February 2017

<i>\$ in thousands</i>	Forecast	Actuals	Variance	Comment
Cash Receipts				
State Aid	\$ 34,865	\$ 35,552	\$ 688	
MPSERS (State Funded)	3,182	3,182	0	
Enhancement Millage	6,646	5,540	(1,107)	Timing - receipts expected during March
Grants	22,243	24,988	2,745	Timing - receipts expected during March; Consists of \$7.5 million to be transferred to DPS in relation to GSRP
Transfer from DPS	-	-	-	
WCRESA	6,756	6,756	-	
Food Service Reimbursement	3,172	3,644	472	
Capital Asset Sales	362	362	-	
Miscellaneous	1,250	1,358	108	
Total Cash Receipts	78,477	81,383	2,906	
Cash Disbursements				
MPSERS (Pass through)	\$ (3,182)	\$ (3,182)	\$ -	
Payroll Direct Deposit	(14,160)	(14,006)	153	
Taxes	(5,223)	(5,081)	142	
FICA	(1,613)	(1,569)	44	
Accounts Payable	(24,891)	(13,049)	11,842	Timing - disbursements expected during March
Pension (employee portion)	(1,819)	(1,787)	32	
Pension (employer portion)	(5,527)	(5,265)	262	
Health	(4,198)	(4,102)	96	
Fringe Benefits	(324)	(75)	249	
Food Service	(4,119)	(1,034)	3,085	Timing - disbursements expected during March
Transfer to DPS	(24,990)	(458)	24,532	Timing - disbursements occurred March 2nd
Other	(366)	(19)	347	
Total Cash Disbursements	(90,411)	(49,627)	40,784	
Beginning Cash Balance	52,229	52,229	-	
Net Cash Flow	(11,934)	31,756	43,690	
Ending Cash Balance	\$ 40,295	\$ 83,985	\$ 43,690	

Note: The sum of individual month's variances does not equal the cumulative variance for multiple months as the forecast is updated weekly and changes in current month can affect future months (e.g. a receivable that is initially expected in August, subsequently expected in September and finally received in October will show up twice in the monthly variance but only once in the cumulative variance). Most recent bank reconciliation occurred February 2017

DPSCD Cash Forecast to Actuals Variance – January 2017

<i>\$ in thousands</i>	January		Variance	Comment
	Forecast	Actuals		
Cash Receipts				
State Aid	\$ 34,893	\$ 34,830	\$ (63)	
MPSERS (State Funded)	3,182	3,182	-	
Enhancement Millage	3,506	177	(3,329)	
Grants	12,173	18,156	5,983	Catch-up from previous months
Transfer from DPS	4,885	5,358	473	
WCRESA	2,254	2,341	87	
Food Service Reimbursement	3,231	-	(3,231)	Timing - Receipts expected at later date / in line with disbursements
Capital Asset Sales	5,909	-	(5,909)	Funds held in escrow pending FCC clearance
Miscellaneous	978	477	(501)	
Total Cash Receipts	71,011	64,521	(6,490)	
Cash Disbursements				
MPSERS (Pass through)	\$ (3,182)	\$ (3,182)	\$ -	
Payroll Direct Deposit	(14,145)	(13,087)	1,058	
Taxes	(5,585)	(5,118)	467	
FICA	(1,673)	(1,497)	176	
Accounts Payable	(14,035)	(7,340)	6,695	Timing - disbursements expected during February
Pension (employee portion)	(1,910)	(1,784)	127	
Pension (employer portion)	(5,914)	(5,263)	651	
Health	(4,153)	(3,152)	1,001	
Fringe Benefits	(586)	(82)	504	
Food Service	(2,764)	(167)	2,597	Timing - disbursements expected during February
Transfer to DPS	(15,739)	(15,739)	-	
Other	(150)	(22)	128	
Total Cash Disbursements	(69,837)	(56,434)	13,404	
Beginning Cash Balance	44,142	44,142	-	
Net Cash Flow	1,174	8,087	6,913	
Ending Cash Balance	\$ 45,315	\$ 52,229	\$ 6,913	

Note: The sum of individual month's variances does not equal the cumulative variance for multiple months as the forecast is updated weekly and changes in current month can affect future months (e.g. a receivable that is initially expected in August, subsequently expected in September and finally received in October will show up twice in the monthly variance but only once in the cumulative variance).

DPSCD Cash Forecast to Actuals Variance – December 2016

<i>\$ in thousands</i>	December		Variance	Comment
	Forecast	Actuals		
Cash Receipts				
State Aid	\$ 34,805	\$ 33,765	\$ (1,040)	Prior month reversal due to updated student count
MPSERS (State Funded)	3,066	3,182	116	
Enhancement millage	-	-	-	
Grants	12,648	13,009	360	
Transfer from DPS	-	-	-	
WCRESA	2,254	2,254	-	
Food Service Reimbursement	3,158	4,685	1,528	Catch-up from previous months
Capital Asset Sales	9,000	3,091	(5,909)	Remaining asset sales expected beginning of 2017
Miscellaneous	1,490	537	(952)	
Total Cash Receipts	66,420	60,523	(5,897)	
Cash Disbursements				
MPSERS (Pass through)	\$ (6,364)	\$ (6,364)	\$ -	
Payroll Direct Deposit	(25,090)	(25,744)	(655)	
Taxes	(9,851)	(9,216)	635	
FICA	(2,887)	(2,885)	3	
Accounts Payable	(15,657)	(22,410)	(6,753)	Timing - catch-up of payables from November
Pension (employee portion)	(2,768)	(2,597)	171	
Pension (employer portion)	(8,613)	(8,073)	540	
Health	(4,153)	(3,731)	421	
Fringe Benefits	(1,122)	(65)	1,057	
Food Service	(4,125)	(3,598)	528	
Transfer to DPS	-	-	-	
Other	(375)	(41)	334	
Total Cash Disbursements	(81,005)	(84,725)	(3,720)	
Beginning Cash Balance	68,343	68,343	-	
Net Cash Flow	(14,585)	(24,201)	(9,617)	
Ending Cash Balance	\$ 53,758	\$ 44,142	\$ (9,617)	

Note: The sum of individual month's variances does not equal the cumulative variance for multiple months as the forecast is updated weekly and changes in current month can affect future months (e.g. a receivable that is initially expected in August, subsequently expected in September and finally received in October will show up twice in the monthly variance but only once in the cumulative variance).

DPSCD Cash Forecast to Actuals Variance – November 2016

<i>\$ in thousands</i>	November		Variance	Comment
	Forecast	Actuals		
Cash Receipts				
State Aid	\$ 35,323	\$ 35,841	\$ 519	Expected to reverse with updated FTE count
MPSERS (State Funded)	6,364	6,364	-	
Grants	12,147	13,052	905	Catch-up from previous months
Transfer from DPS	17,300	17,300	-	
WCRESA	2,254	1,944	(310)	
Food Service Reimbursement	3,086	3,666	580	Catch-up from previous months
Capital Asset Sales	-	-	-	
Miscellaneous	967	328	(639)	
Total Cash Receipts	77,441	78,496	1,055	
Cash Disbursements				
MPSERS (Pass through)	\$ -	\$ -	\$ -	
Payroll Direct Deposit	(14,144)	(6,767)	7,377	Timing - payroll funding occurred one day prior instead of two
Taxes	(5,615)	(5,296)	319	
FICA	(1,627)	(1,566)	61	
Accounts Payable	(16,401)	(12,668)	3,733	Timing - payables to be paid in early December
Pension (employee portion)	(1,813)	(1,716)	97	
Pension (employer portion)	(5,690)	(5,468)	222	
Health	(3,927)	(4,404)	(477)	
Fringe Benefits	(707)	(40)	667	
Food Service	(2,600)	(1,424)	1,176	Timing - payables to be paid in early December
Transfer to DPS	-	-	-	
Other	(474)	(199)	275	
Total Cash Disbursements	(52,998)	(39,550)	13,448	
Beginning Cash Balance	29,397	29,397	-	
Net Cash Flow	24,443	38,946	14,503	
Ending Cash Balance	\$ 53,840	\$ 68,343	\$ 14,503	

Note: The sum of individual month's variances does not equal the cumulative variance for multiple months as the forecast is updated weekly and changes in current month can affect future months (e.g. a receivable that is initially expected in August, subsequently expected in September and finally received in October will show up twice in the monthly variance but only once in the cumulative variance).

DPSCD Cash Forecast to Actuals Variance – October 2016

<i>\$ in thousands</i>	October		Variance	Comment
	Forecast	Actuals		
Cash Receipts				
State Aid	\$ 35,323	\$ 35,052	\$ (271)	
MPSERS (State Funded)	-	-	-	
Grants	9,480	1,257	(8,223)	Approval of FY17 grants delayed due to MPSERS resolution
Transfer from DPS	23,504	15,739	(7,765)	Lower draw based on cash needs
WCRESA	2,254	2,254	-	
Food Service Reimbursement	459	-	(459)	
Capital Asset Sales	-	-	-	
Miscellaneous	1,150	976	(174)	
Total Cash Receipts	72,170	55,277	(16,892)	
Cash Disbursements				
MPSERS (Pass through)	\$ -	\$ -	\$ -	
Payroll Direct Deposit	(14,121)	(13,598)	523	
Taxes	(5,346)	(5,085)	260	
FICA	(1,589)	(1,543)	45	
Accounts Payable	(18,268)	(6,045)	12,224	Timing - payables to be paid in early November
Pension (employee portion)	(1,768)	(1,589)	179	
Pension (employer portion)	(5,644)	(5,187)	457	
Health	(886)	(124)	762	
Fringe Benefits	(502)	(22)	480	
Food Service	(1,200)	(2,189)	(989)	Catch-up from previous month
Transfer to DPS	-	-	-	
Other	(320)	(2)	318	
Total Cash Disbursements	(49,644)	(35,387)	14,258	
Beginning Cash Balance	9,506	9,506	-	
Net Cash Flow	22,525	19,891	(2,635)	
Ending Cash Balance	\$ 32,032	\$ 29,397	\$ (2,635)	

Note: The sum of individual month's variances does not equal the cumulative variance for multiple months as the forecast is updated weekly and changes in current month can affect future months (e.g. a receivable that is initially expected in August, subsequently expected in September and finally received in October will show up twice in the monthly variance but only once in the cumulative variance).

DPSCD Cash Forecast to Actuals Variance – September 2016

<i>\$ in thousands</i>	September		Variance	Comment
	Forecast	Actuals		
Cash Receipts				
State Aid	\$ -	\$ -	\$ -	
MPSERS (State Funded)	-	-	-	
Grants	10,798	2,407	(8,391)	Approval of FY17 grants delayed due to MPSERS resolution
Transfer from DPS	-	-	-	
WCRESA	-	2,498	2,498	Received on 9/30 - previously forecasted for first week in Oct.
Food Service Reimbursement	1,000	-	(1,000)	
Capital Asset Sales	-	-	-	
Miscellaneous	863	198	(665)	
Total Cash Receipts	12,661	5,103	(7,558)	
Cash Disbursements				
MPSERS (Pass through)	\$ -	\$ -	\$ -	
Payroll Direct Deposit	(14,396)	(14,038)	358	
Taxes	(3,092)	(2,966)	126	
FICA	(756)	(882)	(126)	
Accounts Payable	(16,688)	(8,223)	8,465	Timing - some payables were paid in early October
Pension (employee portion)	(884)	(692)	192	
Pension (employer portion)	(936)	(429)	507	
Health	(3,297)	(5,818)	(2,521)	Prepayment of October benefits
Fringe Benefits	(459)	(13)	445	
Food Service	(1,228)	(321)	907	
Transfer to DPS	-	-	-	
Other	(72)	-	72	
Total Cash Disbursements	(41,807)	(33,383)	8,424	
Beginning Cash Balance	37,786	37,786	0	
Net Cash Flow	(29,146)	(28,280)	866	
Ending Cash Balance	\$ 8,640	\$ 9,506	\$ 866	

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DPSCD Cash Forecast to Actuals Variance – August 2016

<i>\$ in thousands</i>	August		Variance	Comment
	Forecast	Actuals		
Cash Receipts				
State Aid	\$ -	\$ -	\$ -	
MPSERS (State Funded)	-	-	-	
Grants	-	-	-	
Transfer from DPS	15,269	15,269	-	
WCRESA	-	-	-	
Food Service Reimbursement	3,000	-	(3,000)	Receipt of food service related to DPS
Capital Asset Sales	-	-	-	
Miscellaneous	126	110	(16)	
Total Cash Receipts	18,395	15,380	(3,016)	
Cash Disbursements				
MPSERS (Pass through)	\$ -	\$ -	\$ -	
Payroll Direct Deposit	(3,971)	(3,424)	547	
Taxes	(2,040)	(1,397)	643	
FICA	(216)	(629)	(413)	
Accounts Payable	(7,183)	(505)	6,678	Building reinvestment work commenced later than projected
Pension (employee portion)	(428)	(428)	(0)	
Pension (employer portion)	(1,700)	(1,700)	0	
Health	(7,153)	(6,965)	188	
Fringe Benefits	(67)	(6)	61	
Food Service	(380)	-	380	
Transfer to DPS	-	-	-	
Other	-	(75)	(75)	
Total Cash Disbursements	(23,138)	(15,131)	8,007	
Beginning Cash Balance	37,537	37,537	0	
Net Cash Flow	(4,743)	249	4,992	
Ending Cash Balance	\$ 32,794	\$ 37,786	\$ 4,992	

Note: The sum of individual month's variances does not equal the cumulative variance for multiple months as the forecast is updated weekly and changes in current month can affect future months (e.g. a receivable that is initially expected in August, subsequently expected in September and finally received in October will show up twice in the monthly variance but only once in the cumulative variance).

DPSCD Cash Forecast to Actuals Variance – July 2016

<i>\$ in thousands</i>	July		Variance	Comment
	Forecast	Actuals		
Cash Receipts				
State Aid	\$ -	\$ -	\$ -	
MPSERS (State Funded)	-	-	-	
Grants	2,100	-	(2,100)	Grant draw delayed in line with disbursements
State Aid Note Proceeds	-	-	-	
Transfer from DPS	25,000	25,000	-	
WCRESA	15,000	15,000	-	
Food Service Reimbursement	840	-	(840)	
Capital Asset Sales	-	-	-	
Miscellaneous	1,063	25	(1,038)	
Total Cash Receipts	44,003	40,025	(3,978)	
Cash Disbursements				
MPSERS (Pass through)	\$ -	\$ -	\$ -	
Payroll Direct Deposit	(2,673)	(2,396)	278	
Taxes	(1,005)	(27)	979	Some payroll items funded out of DPS - to be reversed
FICA	(328)	-	328	Some payroll items funded out of DPS - to be reversed
Accounts Payable	(3,683)	(1)	3,682	Building reinvestment work commenced later than projected
Pension (employee portion)	(579)	(36)	543	
Pension (employer portion)	(1,782)	-	1,782	Some payroll items funded out of DPS - to be reversed
Health	(2,232)	(28)	2,204	Some payroll items funded out of DPS - to be reversed
Fringe Benefits	-	-	-	
Property Tax Transfer	(17,658)	-	17,658	Actually a DPS liability - to be netted with ending cash balance
Food Service	-	-	-	
Transfer to DPS	-	-	-	
Other	-	-	-	
Total Cash Disbursements	(29,941)	(2,488)	27,454	
Beginning Cash Balance	44,661	-	(44,661)	Adjusted beginning cash balance transferred in August
Net Cash Flow	14,061	37,537	23,476	
Ending Cash Balance	\$ 58,723	\$ 37,537	\$ (21,185)	

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