



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

DETROIT FINANCIAL REVIEW COMMISSION

SCHOOL DISTRICT RESOLUTION 2018-33

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

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

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

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

WHEREAS, at the Commission meeting on December 17, 2018, the Community District presented applicable contracts, attached as **Exhibit A** to this Resolution, for the Commission's review and approval.

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

1. That the Community District's December 2018 contract requests, attached as **Exhibit A** to this Resolution but excluding any contracts a majority of Commission members present has agreed to exclude as noted in the minutes, are hereby approved.
2. That the minutes of the Detroit Financial Review Commission meeting at which this Resolution is adopted take notice of the adoption of this Resolution.
3. This Resolution shall have immediate effect.

Contract Requests

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

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Department	Contract Number	Description	Contract Request Type	Competitively Bid? If not a new contract, was the original contract competitively bid?	Lowest Bid? If not a New Contract, was the original contract the lowest bid?	DPSCD Approval Date	Comments	
1	Office of Specialized Student Services	17-0037-C	<p>Contract Amount: \$962,567 Contract Period: July 1, 2017 – June 30, 2018 Source: Grant/General Funds Purpose: Provide skilled Speech-Language Pathologists, Occupational Therapists, Physical Therapists, Psychologists and Social Workers for the District’s students. Contractor: Cumberland Therapy Services, LLC Location: 3701 N. Ravenswood Ave. Ste 248 Chicago, IL 60613</p>	Increase	Yes	No	<p>Anticipated Approval</p> <p>School Board 12.11.2018</p> <p>FRC 12.17.2018</p>	<p>This request is to increase the existing expenditure request, previously \$645,044, by \$317,523. This brings the total expenditures to \$962,567. The FRC and School Board previously approved the expenditures in August 2017.</p> <p>The District sourced ten providers to supplement ESE staffing. Previously, the District would transfer amounts between these supplementary staffing providers without further approval to the extent that the transfers did not exceed total budgeted and approved amounts. These transfers were needed because vendors would not be able to provide qualified personnel to the District. Though expenditures to this vendor exceeded the original amount approved, the amount across all vendors for these specific services (\$12M) was not exceeded. The total spend for these services was just under \$9M.</p>
2	Information Technology	4400006644	<p>Contract Amount: \$752,591 Contract Period: January 1, 2019 – December 31, 2019 Source: General Funds Purpose: To provide Microsoft Office Suite to District employees. Contractor: Insight Public Sector SLED Location: 6820 S. Harl Ave. Tempe, AZ 85283</p>	Cooperative	N/A	N/A	<p>Anticipated Approval</p> <p>School Board 12.11.2018</p> <p>FRC 12.17.2018</p>	<p>The District purchases its Microsoft licenses through a cooperative (US Communities). Request for Proposal RFP2000001701 and all addenda was performed by the County of Fairfax, Virginia awarded February 9, 2016.</p> <p>The District has been utilizing the Microsoft Office 365 platform as its primary data communication system for over four years. The District’s licenses run through calendar years, therefore the purchase orders will be split over two fiscal years, 2019 and 2020.</p>