



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RACHAEL EUBANKS
STATE TREASURER

DETROIT FINANCIAL REVIEW COMMISSION

RESOLUTION 2019-21

CERTIFYING THE DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT’S (DPSCD) COMPLIANCE WITH THE MICHIGAN FINANCIAL REVIEW COMMISSION ACT

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

WHEREAS, Section 6(1) of the Act empowers the Commission to provide oversight for the Detroit Public Schools Community District’s (“DPSCD”); and

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

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

WHEREAS, at the Commission meeting on September 30, 2019, documentation of the Detroit Public School Community District compliance with the Act from September 1, 2018 through August 31, 2019 was presented for consideration.

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

1. That the Commission hereby certifies that the Detroit Public Schools Community District is in substantial compliance with the provisions of the Act for the period September 1, 2018 through August 31, 2019.
2. That the minutes of the Detroit Financial Review Commission meeting at which this Resolution is adopted take notice of the adoption of this Resolution.
3. This Resolution shall have immediate effect.

DETROIT FINANCIAL REVIEW COMMISSION

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

For the Period September 1, 2018 through August 31, 2019

Required Annually by October 1
 Presented on September 30, 2019

Requirement	FRC Act Sec. No.	Compliance
Statutory compliance: Section 8 of the publicly funded health insurance contribution act, 2011 PA 152, MCL 15.568	6(3)(a)	See attached verification of compliance.
The revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821	6(3)(c)	See attached verification of compliance.
The uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a	6(3)(d)	See attached verification of compliance.
Statutory compliance: The Revised School Code, 1976 PA 451, MCL 380.1 to 380.1852	6(3)(e)(i)	See attached verification of compliance.
Statutory compliance: Article I of the State School Aid Act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772	6(3)(e)(ii)	See attached verification of compliance.
Statutory compliance: The Public-School Employees Retirement Act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437	6(3)(e)(iii)	See attached verification of compliance.
FRC review and approval of all applicable contracts	6(6)	DPSCD has submitted 62 applicable contracts. FRC has approved all of them.
The CFO provide needed information and documents to FRC and attend FRC meetings when needed	6(7), 7(d), and 7(o)	The CFO has been responsive to requests for information and documents and have attended meetings when requested.
FRC review and approval of collective bargaining agreements (CBAs)	6(9)	DPSCD ratified 1 CBA this year and 3 that required a letter of agreement to amend. A total of 8 CBAs has been presented to the FRC and subsequently approved by the FRC.
Quarterly debt service certifications	6(11)	DPSCD has not issued any debt.
FRC review of revenue estimates	7(a)	DPSCD has provided its revenue estimates to the FRC in connection with its budget submissions per subsection 7(c).
FRC review and approval of the annual budget and budget amendments	7(c)	DPSCD submitted its FY 2019 general fund budget to the FRC on April 16, 2018 and the FRC approved it. The FY 2019 food service fund budget and the FY 2019 capital projects fund budget were submitted and approved at the June 25, 2018 FRC meeting. DPSCD has submitted one amendment to the FY 2019 general fund budget and two amendments to the FY 2019 capital projects fund budget to date. The FY 2020 general fund budget was submitted and approved at the June 10, 2019 FRC meeting. The FY 2020 food service fund budget was submitted and approved at the June 24, 2019 FRC meeting.

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FRC review and approval of requests to issue debt	7(e)	DPSCD has not submitted any requests to issue debt.
FRC reviews compliance with a deficit elimination plan	7(f)	DPSCD has not been required to submit a deficit elimination plan.
FRC approval of Chief Financial Officer appointment	7(h)	DPSCD submitted its appointment of its Chief Financial Officer. FRC approved the appointment on November 20, 2017.
FRC approval to alter the Superintendent's contract or to terminate the Superintendent	7(i)	DPSCD has not undertaken such actions.
FRC review and approval of reimbursements for out-of-state travel	7(q)	DPSCD has submitted 20 reimbursement requests for out-of-state travel. FRC has approved all of them.



Jeremy Vidito
Chief Financial Officer
Office of Finance

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September 30, 2019

TO: Financial Review Commission (FRC)
FROM: Jeremy Vidito, Chief Financial Officer, Detroit Public Schools Community District
SUBJECT: Certification of Detroit Public Schools Community District ("DPSCD") Compliance with the Public Act 181 of 2014 ("PA 181"), Section 6(3)

1. AUTHORITY

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

2. PURPOSE

2.1 The FRC has requested the Chief Financial Officer of DPSCD verify compliance with the provisions outlined in Section 1.1 of this letter.

3. OBJECTIVES

Detroit Public Schools Community District (DPSCD) is

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

In accordance with PA 181 and at the request of the FRC, I, Jeremy Vidito, Chief Financial Officer of Detroit Public Schools Community District, hereby certify that DPSCD was in compliance and/or substantial compliance with all applicable provisions outlined in Section 1.1 of this letter for the period of September 1, 2018 through August 31, 2019.

CERTIFIED



Jeremy Vidito, Chief Financial Officer

9/20/19

Date

Students Rise. We all Rise

DPSCD does not discriminate based on race, color, national origin, sex, disability and/or religion
Contact Compliance for more information at (313) 240-4377 or detroitk12.org/admin/compliance.