



# Financial Review Commission Public Meeting

---

January 29, 2018

# Agenda

DPS Monthly Report

DPSCD Monthly Report

Supplemental Reports

Contracts

Out-of-State Travel

# DPS Monthly Report



# High level assumptions underlying DPS (Old Co.)

- DPS (Old Co.) is primarily a wind-down entity whose purpose is the satisfaction of legacy debt obligations
- DPS general fund receives revenue from two main sources
  - (i) Local Sources – Property Taxes (18 non-homestead mills) collected and remitted by the City and County
  - (ii) State Sources – Property tax abatements (Renaissance Zone) reimbursed by the State
- DPS general fund is budgeted to have the following categories of expenditures:
  - (i) Operating expenditures – Primarily related to legal and audit fees
  - (ii) Debt Service – Payments related to operating bonds, emergency loan, and pension obligations
  - (iii) Transfers out – Reimbursements to DPSCD in connection with legislation
- In addition, DPS collects property taxes related to the 13 mills, which are dedicated to service legacy Capital Debt. Any shortfall in these collections is backstopped by additional borrowings from the State of Michigan School Loan Revolving Fund (SLRF). Therefore, any activity related to the Capital Debt does not impact the General Fund, and is reported separately.

# Summary statement of revenues and expenditures – budget to actual comparison

- Based on actual results through November 2017, DPS recorded a surplus of revenues over expenditures of \$11.5M
- For the month of November, DPS received \$1.1M in local property tax revenue, which is dedicated to legacy debt service
- A catch-up accrual of \$1.8M was booked in the month of November related to the Renaissance Zone, for which the first installment was collected in December

	Budget Month of Nov-17	Actual Month of Nov-17	Variance		Budget YTD Nov-17	Actual YTD Nov-17	Variance	
			\$	%			\$	%
<b>Revenues</b>								
Local sources	987,169	1,073,754	86,585	9%	27,468,168	29,877,417	2,409,249	9%
State sources	361,657	1,804,471	1,442,814	399%	1,808,283	1,804,471	(3,813)	0%
Federal sources	-	-	-	-	-	-	-	-
Interdistrict sources	-	-	-	-	-	-	-	-
Other sources	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>1,348,825</b>	<b>2,878,224</b>	<b>1,529,399</b>	<b>113%</b>	<b>29,276,451</b>	<b>31,681,887</b>	<b>2,405,437</b>	<b>8%</b>
<b>Expenditures</b>								
Operating expenditures	-	-	-	-	-	-	-	-
Debt Service	875,178	875,178	-	0%	20,140,922	20,140,922	-	0%
Transfers out	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>875,178</b>	<b>875,178</b>	<b>-</b>	<b>0%</b>	<b>20,140,922</b>	<b>20,140,922</b>	<b>-</b>	<b>0%</b>
<b>Surplus (Deficit)</b>	<b>473,647</b>	<b>2,003,046</b>	<b>1,529,399</b>	<b>323%</b>	<b>9,135,528</b>	<b>11,540,965</b>	<b>2,405,437</b>	<b>26%</b>

# DPS Cash Forecast to Actuals Variance – November 2017

<i>\$ in thousands</i>	November Forecast	November Actuals	November Variance	Comment
<b>Cash Receipts</b>				
Property Tax (13 Mills)	4,209	1,704	(2,505)	Forecast assumed quicker collections for property tax receipts
Transfer from DPSCD	-	-	-	
Draw from BONY	-	-	-	
Miscellaneous	88	102	14	
<b>Total Cash Receipts</b>	<b>4,297</b>	<b>1,806</b>	<b>(2,491)</b>	
<b>Cash Disbursements</b>				
Accounts Payable	(58)	(49)	9	
Fringe Benefits	-	-	-	
Property Tax Transfer (1)	(7,235)	-	7,235	Timing - Property tax transfer timing coincides with the payment of 13 mill debt service
Transfer to DPSCD	-	-	-	
Other	-	(504)	(504)	Adjustment for transfer of cash in a prior period
<b>Total Cash Disbursements</b>	<b>(7,293)</b>	<b>(553)</b>	<b>6,740</b>	
<b>Net Cash Flow</b>	<b>(2,996)</b>	<b>1,253</b>	<b>4,249</b>	
Beginning Cash Balance	16,963	16,963	-	
Net Cash Flow	(2,996)	1,253	4,249	
<b>Ending Cash Balance</b>	<b>\$ 13,967</b>	<b>\$ 18,215</b>	<b>\$ 4,249</b>	

*Note: 18 Mills property tax receipts are collected by the Bank of New York Mellon Trustee and then distributed from there to service debt payments; therefore, this will not show up in cash flow, but will show up in the general ledger.*

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

# DPS FY 2018 monthly cash flows

\$ in thousands

	2017						2018						FY 18 Total
	July	August	September	October	November	December	January	February	March	April	May	June	
	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
<b>Cash Receipts</b>													
Property Tax (13 Mills)	290	2,427	27,530	4,209	1,704	1,249	2,087	3,693	14,847	700	1,897	14,366	75,000
Transfer from DPSCD (1)	-	16,000	-	-	-	-	3,463	-	-	-	-	108	19,571
Draw from BONY	-	16,740	-	-	-	-	-	-	11,368	173	417	2,601	31,299
Miscellaneous (2)	124	112	1,014	137	102	6	-	-	-	-	-	-	1,495
<b>Total Cash Receipts</b>	<b>415</b>	<b>35,280</b>	<b>28,543</b>	<b>4,347</b>	<b>1,806</b>	<b>1,256</b>	<b>5,551</b>	<b>3,693</b>	<b>26,215</b>	<b>873</b>	<b>2,314</b>	<b>17,075</b>	<b>127,365</b>
<b>Cash Disbursements</b>													
Payroll Direct Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-
Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
FICA	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Payable (3)	-	(16,209)	(304)	(58)	(49)	(458)	-	(2,000)	-	(2,000)	-	-	(21,079)
Pension (employee portion)	-	-	-	-	-	-	-	-	-	-	-	-	-
Pension (employer portion)	(4)	-	-	-	-	-	-	-	-	-	-	-	(4)
Health	-	-	-	-	-	-	-	-	-	-	-	-	-
Fringe Benefits	-	(0)	-	-	-	-	-	-	-	-	-	-	(0)
Property Tax Transfer (4)	-	(1,472)	(27,530)	-	-	(10,188)	(2,087)	(3,693)	(14,847)	(700)	(1,897)	(14,366)	(76,780)
Food Service	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to DPSCD	-	-	(19,779)	-	-	-	-	-	-	-	-	(13,100)	(32,879)
Other (5)	(24)	(72)	-	(7)	(504)	(2,357)	-	-	-	-	-	-	(2,963)
<b>Total Cash Disbursements</b>	<b>(28)</b>	<b>(17,754)</b>	<b>(47,612)</b>	<b>(65)</b>	<b>(553)</b>	<b>(13,003)</b>	<b>(2,087)</b>	<b>(5,693)</b>	<b>(14,847)</b>	<b>(2,700)</b>	<b>(1,897)</b>	<b>(27,466)</b>	<b>(133,706)</b>
<b>Net Cash Flow</b>	<b>386</b>	<b>17,526</b>	<b>(19,069)</b>	<b>4,281</b>	<b>1,253</b>	<b>(11,747)</b>	<b>3,463</b>	<b>(2,000)</b>	<b>11,368</b>	<b>(1,827)</b>	<b>417</b>	<b>(10,391)</b>	<b>(6,340)</b>
Beginning Cash Balance	13,838	14,225	31,750	12,681	16,963	18,215	6,468	9,932	7,932	19,300	17,473	17,890	13,838
Net Cash Flow	386	17,526	(19,069)	4,281	1,253	(11,747)	3,463	(2,000)	11,368	(1,827)	417	(10,391)	(6,340)
<b>Ending Cash Balance</b>	<b>\$ 14,225</b>	<b>\$ 31,750</b>	<b>\$ 12,681</b>	<b>\$ 16,963</b>	<b>\$ 18,215</b>	<b>\$ 6,468</b>	<b>\$ 9,932</b>	<b>\$ 7,932</b>	<b>\$ 19,300</b>	<b>\$ 17,473</b>	<b>\$ 17,890</b>	<b>\$ 7,498</b>	<b>\$ 7,498</b>

Forecast includes actuals through December 08, 2017.

(1) The draw-down from DPSCD in January is related to the reimbursement of Legal, Worker's Comp, and TIP payments made by DPS on behalf of DPSCD.

(2) September miscellaneous receipts include \$1M of control transfer (pass-through) disbursement, which is forecasted to be transferred out in November, 2017.

(3) Includes \$20M in settlement payments to Sodexo (the remaining \$8M will be paid in FY 2019) and \$400K in legal and audit fees, which are included in the Adopted FY 2018 Budget.

(4) Property tax transfer includes 13 Mills property tax transfers collected to cover debt service associated with 13 Mills debt. Transfers are shown on a monthly basis to coincide with monthly property tax collections. In reality, cash payments coincide with debt payments (refer to Master Debt Indenture for debt payment schedule).

(5) November activity includes the control transfer pass-through received in September. December activity includes a reimbursement to Wayne County for 2014/2015 overpayment of Act 18 Funds.

# DPSCD Monthly Report





# Financial Update – November 2017

- DPSCD recorded a positive surplus of revenues over expenditures of \$8.8M in the month of November 2017, compared to a predicted budget deficit of \$1.3M. This led to a positive budget variance of \$10.1M (see p. 10).
  - Relative to budget, revenues were behind plan by \$1.0M, or an 2% decrease, but this was offset by expenditures being 17% below budget for the month (see p. 10).
    - Local Sources – Local enhancement millage was budgeted for in November, but was not collected. It is expected to be collected in future months, therefore, budgeted local sources exceeded actuals by \$3.4M (see p. 10).
    - Federal Sources – For the month of November, budgeted federal sources exceeded actuals by \$2.0M (see p. 10).
  - On the expenditure side, actuals were below budget by \$11.1M, or a 17% decrease (see p. 10).
    - Salaries and benefits (object level) – The variance between actuals and budget for salaries and benefits is largely due to budgeted unfilled vacancies. The District will address this with FY 2018 Budget Amendment no. 2 by moving unspent funds to contingency.
    - Contingency (object level) – Additionally, the District has \$15.5M in budgeted contingency, of which \$1.5M was budgeted for the month of November and only \$56K of expenses were incurred in the month (see p. 10).
    - Instruction (function level) – In the month of November, instructional spend trailed budget by \$7.0M, or 20%, mainly due to unfilled vacancies that are mentioned in salaries and benefits. (see p. 11)
    - Support Services (function level) – Support services for the month of November was \$4.7M, or 15%, below budget, primarily due to lower pupil and instructional support expenditures. (see p. 11)
- The net cash flow for November 2017 was (\$9.3M), putting the ending cash balance at \$63.8M (\$112.3M including the internal service fund and fiduciary account). The projected FY 2018 net cash flow is \$19.0M (see p. 13).

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

- Based on actual results through November 2017, DPSCD is \$24.1M ahead of budget. However at this point, DPSCD believes much of this favorable variance is due to timing and will reverse before the end of the fiscal year.

	Budget Month of Nov-17	Actual Month of Nov-17	Variance		Budget YTD Nov-17	Actual YTD Nov-17	Variance	
			\$	%			\$	%
<b>Revenues</b>								
Local sources	\$ 7,818,212	\$ 4,408,297	\$ (3,409,916)	(44%)	\$ 24,648,887	\$ 18,886,372	\$ (5,762,515)	(23%)
State sources (1)	42,248,276	42,135,732	(112,545)	(0%)	202,197,609	207,584,853	5,387,244	3%
Federal sources	15,007,125	13,033,533	(1,973,592)	(13%)	56,258,618	42,343,481	(13,915,138)	(25%)
Intergovernmental sources	-	-	-	-	-	-	-	-
Other sources (2)	-	4,495,158	4,495,158	-	-	4,509,377	4,509,377	-
<b>Total revenues</b>	<b>65,073,614</b>	<b>64,072,719</b>	<b>(1,000,894)</b>	<b>(2%)</b>	<b>283,105,114</b>	<b>273,324,083</b>	<b>(9,781,031)</b>	<b>(3%)</b>
<b>Expenditures (Object)</b>								
Salaries	29,441,478	26,221,366	(3,220,112)	(11%)	108,281,023	98,926,086	(9,354,937)	(9%)
Benefits (1)	16,749,417	13,511,033	(3,238,384)	(19%)	61,148,423	57,482,035	(3,666,388)	(6%)
Purchased Services	14,337,062	14,711,338	374,275	3%	57,839,629	45,939,660	(11,899,969)	(21%)
Supplies & Textbooks	2,040,677	298,981	(1,741,696)	(85%)	6,172,230	4,018,390	(2,153,840)	(35%)
Equipment & Capital	1,001,686	43,200	(958,487)	(96%)	3,007,642	573,663	(2,433,979)	(81%)
Utilities	1,313,900	410,504	(903,396)	(69%)	7,521,700	7,471,420	(50,280)	(1%)
Other	1,486,698	56,621	(1,430,077)	(96%)	4,485,565	143,957	(4,341,609)	(97%)
<b>Total expenditures</b>	<b>66,370,919</b>	<b>55,253,043</b>	<b>(11,117,876)</b>	<b>(17%)</b>	<b>248,456,212</b>	<b>214,555,210</b>	<b>(33,901,002)</b>	<b>(14%)</b>
<b>Surplus (Deficit)</b>	<b>\$ (1,297,305)</b>	<b>\$ 8,819,676</b>	<b>\$ 10,116,982</b>	<b>(780%)</b>	<b>\$ 34,648,903</b>	<b>\$ 58,768,873</b>	<b>\$ 24,119,971</b>	<b>70%</b>

(1) State sources actual revenue includes a MPSERS one-time deposit as part of the October State Aid payment.

(2) Other sources includes a transfer related to indirect costs which should be netted against expenses for presentation purposes.

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

	Budget Month of Nov-17		Actual Month of Nov-17		Variance			Budget YTD Nov-17		Actual YTD Nov-17		Variance		
					\$	%						\$	%	
<b>Expenditures (Function)</b>														
Elementary Programs	\$	13,433,545	\$	11,557,648	\$	(1,875,898)	(14%)	\$	43,432,712	\$	40,351,142	\$	(3,081,570)	(7%)
Middle School Programs		1,297,723		1,149,158		(148,565)	(11%)		4,301,571		3,979,040		(322,531)	(7%)
High School & Summer Programs		5,903,492		4,387,157		(1,516,335)	(26%)		22,013,448		19,338,858		(2,674,590)	(12%)
Special Education		7,719,801		6,359,536		(1,360,265)	(18%)		25,946,754		22,174,592		(3,772,162)	(15%)
Compensatory Education		6,196,007		4,219,142		(1,976,865)	(32%)		21,028,368		14,697,634		(6,330,735)	(30%)
Career and Technical Education		316,773		215,145		(101,628)	(32%)		1,014,623		726,289		(288,334)	(28%)
Adult/Continuing Education - Basic		170,113		106,702		(63,411)	(37%)		599,355		374,125		(225,230)	(38%)
<b>Total Instruction</b>		<b>35,037,454</b>		<b>27,994,488</b>		<b>(7,042,966)</b>	<b>(20%)</b>		<b>118,336,832</b>		<b>101,641,679</b>		<b>(16,695,153)</b>	<b>(14%)</b>
Pupil	\$	6,151,306	\$	4,429,535	\$	(1,721,770)	(28%)	\$	20,580,752	\$	14,930,035	\$	(5,650,717)	(27%)
Instructional Support		4,746,795		2,466,756		(2,280,039)	(48%)		19,496,274		12,441,278		(7,054,995)	(36%)
General Administration		427,327		187,749		(239,578)	(56%)		2,438,217		1,893,980		(544,238)	(22%)
School Administration		3,616,982		3,276,284		(340,698)	(9%)		15,498,079		14,247,961		(1,250,118)	(8%)
Business		845,101		923,487		78,385	9%		3,434,357		3,132,632		(301,725)	(9%)
Maintenance & Operations		8,448,459		7,485,539		(962,920)	(11%)		37,972,923		35,943,446		(2,029,477)	(5%)
Transportation		3,642,643		5,130,125		1,487,482	41%		14,976,332		12,732,744		(2,243,588)	(15%)
Central Support Services (1)		2,812,430		2,026,051		(786,379)	(28%)		13,752,806		15,812,422		2,059,616	15%
School Activities		158,683		217,098		58,415	37%		476,049		374,067		(101,982)	(21%)
<b>Total Supporting Services</b>		<b>30,849,725</b>		<b>26,142,623</b>		<b>(4,707,102)</b>	<b>(15%)</b>		<b>128,625,789</b>		<b>111,508,566</b>		<b>(17,117,224)</b>	<b>(13%)</b>
Community Service	\$	483,740	\$	1,115,931		632,192	131%	\$	1,493,590	\$	1,404,965		(88,625)	(6%)
Facilities acquisitions and improvement		-		-		-	-		-		-		-	-
<b>Total Expenditures</b>	<b>\$</b>	<b>66,370,919</b>	<b>\$</b>	<b>55,253,043</b>	<b>\$</b>	<b>(11,117,876)</b>	<b>(17%)</b>	<b>\$</b>	<b>248,456,212</b>	<b>\$</b>	<b>214,555,210</b>	<b>\$</b>	<b>(33,901,002)</b>	<b>(14%)</b>

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

# DPSCD Cash Forecast to Actuals Variance – Nov. 2017

*\$ in thousands*

## Cash Receipts

	November Forecast	November Actuals	November Variance	Comment
State Aid	\$ 39,508	\$ 40,457	\$ 950	
MPSERS (State Funded)	6,634	5,966	(668)	
Enhancement Millage	3,342	3,037	(305)	
Grants	3,970	5,854	1,884	Timing of grant reimbursements; catch up from previous periods
Transfer from DPS	-	-	-	
WCRESA	4,052	6,613	2,561	Includes a reimbursement to WCRESA for an overpayment settlement which should be paid from DPS (offsets with the other transfer back)
Food Service Reimbursement	2,977	4,260	1,283	Timing of grant reimbursements; catch up from previous periods
Capital Asset Sales	-	-	-	
Miscellaneous	360	2,985	2,625	Includes Medicaid payment and collections of fines and restitution
<b>Total Cash Receipts</b>	<b>60,843</b>	<b>69,172</b>	<b>8,329</b>	

## Cash Disbursements

MPSERS (Pass through)	\$ -	\$ (12,600)	\$ (12,600)	Includes 2 MPSERS pass through amounts for Oct and Nov
Payroll Direct Deposit	(14,278)	(14,479)	(201)	
Taxes	(5,129)	(8,795)	(3,666)	
FICA	(1,554)	(1,802)	(248)	
Accounts Payable	(9,401)	(17,819)	(8,418)	Timing - disbursements exceeded run rate
Pension (employee portion)	(1,751)	(2,773)	(1,022)	
Pension (employer portion)	(5,504)	(8,660)	(3,156)	
Health	(5,631)	(6,740)	(1,109)	Timing - disbursements catch up
Fringe Benefits	(683)	(177)	506	
Food Service	(6,664)	(2,229)	4,435	Timing - forecast assumed higher run rate
Transfer to DPS	-	-	-	
Other	(422)	(2,356)	(1,934)	Actuals include offsetting reimbursement of WCRESA overpayment (related to above WCRESA variance)
<b>Total Cash Disbursements</b>	<b>(51,017)</b>	<b>(78,429)</b>	<b>(27,412)</b>	
<b>Net Cash Flow</b>	<b>9,826</b>	<b>(9,257)</b>	<b>(19,083)</b>	
Beginning Cash Balance	73,071	73,071	-	
Net Cash Flow	9,826	(9,257)	(19,083)	
<b>Ending Cash Balance</b>	<b>\$ 82,896</b>	<b>\$ 63,814</b>	<b>\$ (19,083)</b>	

# DPSCD FY 2018 monthly cash flows

\$ in thousands

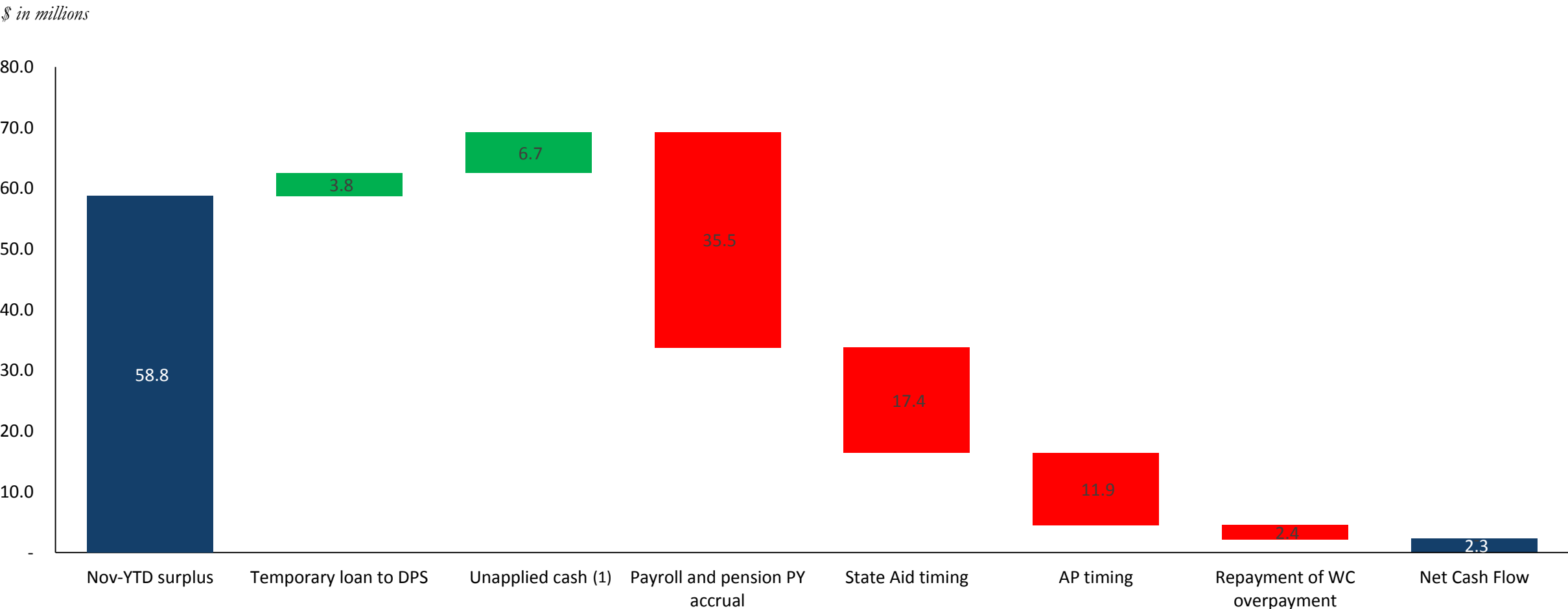
	2017						2018						FY 18 Total
	July	August	September	October	November	December	January	February	March	April	May	June	
	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
<b>Cash Receipts</b>													
State Aid	\$ 35,012	\$ 35,071	\$ -	\$ 39,508	\$ 40,457	\$ 39,491	\$ 39,491	\$ 39,491	\$ 39,491	\$ 39,491	\$ 39,491	\$ 39,491	\$ 426,486
MPSERS (State Funded)	3,182	3,186	-	6,634	5,966	2,983	2,983	2,983	2,983	2,983	2,983	2,983	39,851
Enhancement Millage	1,078	1,017	2,128	3,342	3,037	383	631	1,280	1,280	701	3,569	3,569	22,017
Grants	18,108	12,295	11,226	229	5,854	12,793	10,894	12,837	12,837	12,837	12,837	12,837	135,584
Transfer from DPS	-	-	19,779	-	-	-	-	-	-	-	-	13,100	32,879
WCRESA (1)	-	-	3,848	4,052	6,613	4,052	4,052	4,052	4,052	4,052	4,052	4,052	42,878
Food Service Reimbursement	4,897	2,828	-	2,295	4,260	2,788	1,230	5,585	4,111	4,111	5,139	4,111	41,355
Capital Asset Sales	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous (2)	2,593	578	588	602	2,985	804	4,367	1,130	904	2,904	1,130	904	19,490
<b>Total Cash Receipts</b>	<b>64,870</b>	<b>54,974</b>	<b>37,569</b>	<b>56,662</b>	<b>69,172</b>	<b>63,295</b>	<b>63,649</b>	<b>67,358</b>	<b>65,659</b>	<b>67,080</b>	<b>69,202</b>	<b>81,048</b>	<b>760,538</b>
<b>Cash Disbursements</b>													
MPSERS (Pass through)	\$ (3,182)	\$ (3,182)	\$ (3,186)	\$ -	\$ (12,600)	\$ -	\$ (2,983)	\$ (2,983)	\$ (2,983)	\$ (2,983)	\$ (2,983)	\$ (2,983)	\$ (40,050)
Payroll Direct Deposit	(14,688)	(15,085)	(16,264)	(14,168)	(14,479)	(15,300)	(14,891)	(22,337)	(14,891)	(14,891)	(14,891)	(14,891)	(186,777)
Taxes	(4,878)	(4,182)	(4,368)	(5,119)	(8,795)	(5,489)	(5,714)	(5,714)	(5,714)	(5,714)	(8,572)	(5,714)	(69,975)
FICA	(2,017)	(1,752)	(1,261)	(1,554)	(1,802)	(1,735)	(1,787)	(1,787)	(1,787)	(1,787)	(2,680)	(1,787)	(21,736)
Accounts Payable	(11,803)	(8,513)	(15,531)	(11,884)	(17,819)	(16,578)	(18,239)	(20,773)	(18,239)	(18,239)	(20,773)	(18,239)	(196,630)
Pension (employee portion)	(1,635)	(1,454)	(1,140)	(1,751)	(2,773)	(1,891)	(1,975)	(2,004)	(2,004)	(2,004)	(3,006)	(2,004)	(23,639)
Pension (employer portion)	(5,029)	(4,622)	(3,459)	(5,504)	(8,660)	(5,869)	(6,118)	(6,206)	(6,206)	(6,206)	(9,308)	(6,206)	(73,393)
Health	(1,218)	(3,042)	(3,920)	(5,639)	(6,740)	(4,271)	(4,645)	(4,645)	(4,645)	(4,645)	(4,645)	(4,645)	(52,699)
Fringe Benefits	(215)	(937)	(592)	(795)	(177)	(453)	(577)	(785)	(577)	(577)	(657)	(577)	(6,920)
Food Service	(684)	(379)	(338)	(1,533)	(2,229)	(4,340)	(3,916)	(4,894)	(3,916)	(3,916)	(4,894)	(3,916)	(34,954)
Transfer to DPS	-	(16,000)	-	-	-	-	(3,463)	-	-	-	-	(108)	(19,571)
Other (1)	(23)	-	-	-	(2,356)	(1,327)	(1,769)	(2,212)	(1,769)	(1,769)	(2,212)	(1,769)	(15,207)
<b>Total Cash Disbursements</b>	<b>(45,374)</b>	<b>(59,148)</b>	<b>(50,059)</b>	<b>(47,948)</b>	<b>(78,429)</b>	<b>(57,253)</b>	<b>(66,078)</b>	<b>(74,340)</b>	<b>(62,731)</b>	<b>(62,731)</b>	<b>(74,621)</b>	<b>(62,839)</b>	<b>(741,551)</b>
<b>Net Cash Flow</b>	<b>19,496</b>	<b>(4,174)</b>	<b>(12,489)</b>	<b>8,714</b>	<b>(9,257)</b>	<b>6,042</b>	<b>(2,429)</b>	<b>(6,982)</b>	<b>2,928</b>	<b>4,349</b>	<b>(5,420)</b>	<b>18,209</b>	<b>18,987</b>
Beginning Cash Balance	61,523	81,020	76,846	64,357	73,071	63,814	69,856	67,427	60,445	63,373	67,721	62,302	61,523
Net Cash Flow	19,496	(4,174)	(12,489)	8,714	(9,257)	6,042	(2,429)	(6,982)	2,928	4,349	(5,420)	18,209	18,987
<b>Ending Cash Balance</b>	<b>\$ 81,020</b>	<b>\$ 76,846</b>	<b>\$ 64,357</b>	<b>\$ 73,071</b>	<b>\$ 63,814</b>	<b>\$ 69,856</b>	<b>\$ 67,427</b>	<b>\$ 60,445</b>	<b>\$ 63,373</b>	<b>\$ 67,721</b>	<b>\$ 62,302</b>	<b>\$ 80,511</b>	<b>\$ 80,511</b>
<b>Memo:</b>													
<b>Internal Service Fund and Fiduciary Account</b>													
Beginning Balance	\$ 48,439	\$ 48,439	\$ 48,439	\$ 48,439	\$ 48,439	\$ 48,439	\$ 48,439	\$ 44,976	\$ 44,976	\$ 44,976	\$ 42,976	\$ 42,976	\$ 48,439
(+) Liability Balance Transfer from DPS	-	-	-	-	-	-	-	-	-	-	-	-	-
(-) TIP, Legal, And Workers' Compensation Claims	-	-	-	-	-	-	(3,463)	-	-	(2,000)	-	-	(5,463)
<b>Ending Balance</b>	<b>48,439</b>	<b>48,439</b>	<b>48,439</b>	<b>48,439</b>	<b>48,439</b>	<b>48,439</b>	<b>44,976</b>	<b>44,976</b>	<b>44,976</b>	<b>42,976</b>	<b>42,976</b>	<b>42,976</b>	<b>42,976</b>
<b>Grand Total</b>	<b>\$ 129,459</b>	<b>\$ 125,285</b>	<b>\$ 112,795</b>	<b>\$ 121,510</b>	<b>\$ 112,253</b>	<b>\$ 118,294</b>	<b>\$ 112,403</b>	<b>\$ 105,421</b>	<b>\$ 108,348</b>	<b>\$ 110,697</b>	<b>\$ 105,277</b>	<b>\$ 123,486</b>	<b>\$ 123,486</b>

Forecast includes actuals through December 08, 2017.

(1) December WCRESA activity includes \$2.4M reimbursement of WCRESA settlement paid by DPSCD, but should have been paid by DPS.

(2) November activity includes Medicaid and Fines and Restitution collections.

# Reconciliation of FY18 November YTD general ledger surplus to actual net cash flow



(1) Unapplied cash relates to the timing difference between cash received for WCRESA & Enhancement Millage and revenues booked.

# Supplemental Reports



# Staffing Update - November

Category	October 2017	November 2017	October 2017 vs. November 2017	FY 2018 Budget Amendment no. 1			Bud. Amd. no. 1 vs. Nov. 2017
	<i>Actual</i>	<i>Actual</i>	<i>Variance</i>	<i>Filled</i>	<i>Vacant</i>	<i>Total</i>	<i>Variance</i>
<b>Full Time</b>							
Officials/Administrators/Managers	157.1	157.8	0.7	160.1	42.7	202.8	45.0
Principals	103.8	102.8	(1.0)	102.8	1.6	104.4	1.6
Assistant Principals	51.0	52.0	1.0	52.0	3.0	55.0	3.0
Classroom Teachers - General Education	2,574.9	2,600.9	26.0 (1)	2,762.2	171.2	2,933.4	332.5 (3)
Classroom Teachers - Special Programs	266.7	281.2	14.5 (1)	78.9	35.9	114.8	(166.4) (3)
Guidance	99.8	102.8	3.0	102.8	5.0	107.8	5.0
Psychological	35.0	34.0	(1.0)	34.0	7.6	41.6	7.6
Librarians/Audio Visual Technicians	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Consultants/Supervisors of Instruction	118.0	119.5	1.5	120.5	61.3	181.8	62.3
Other Professional Staff	333.2	339.2	6.0	336.2	85.1	421.3	82.1
Teacher Aides	961.0	981.0	20.0 (2)	973.0	171.2	1,144.2	163.2
Technicians	6.0	5.0	(1.0)	5.0	2.0	7.0	2.0
Clerical/Secretarial Staff	262.8	267.8	5.0	267.8	23.4	291.2	23.4
Service Workers	229.0	232.0	3.0	229.0	30.0	259.0	27.0
Skilled Crafts	10.0	10.0	0.0	10.0	1.0	11.0	1.0
Laborers, Unskilled	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Sub-total</b>	<b>5,208.3</b>	<b>5,286.0</b>	<b>77.7</b>	<b>5,234.3</b>	<b>641.0</b>	<b>5,875.3</b>	<b>589.3</b>
Part-Time	167.0	170.0	3.0	167.0	39.0	206.0	36.0
Substitutes/Instructional	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Substitutes/Non Instructional	4.0	4.0	0.0	4.0	8.3	12.3	8.3
Other	11.0	8.0	(3.0)	12.0	33.0	45.0	37.0
<b>Sub-total</b>	<b>182.0</b>	<b>182.0</b>	<b>0.0</b>	<b>183.0</b>	<b>80.3</b>	<b>263.3</b>	<b>81.3</b>
<b>Total</b>	<b>5,390.3</b>	<b>5,468.0</b>	<b>77.7</b>	<b>5,417.3</b>	<b>721.3</b>	<b>6,138.6</b>	<b>670.6</b>
Vacant Positions eliminated as part of PCN Cleanup				0.0	114.5	114.5	114.5
<b>Total</b>	<b>5,390.3</b>	<b>5,468.0</b>	<b>77.7</b>	<b>5,417.3</b>	<b>835.7</b>	<b>6,253.0</b>	<b>785.0</b>

(1) The increase in teachers is a result of the following factors: 1) increase in the number of available positions as a result of the return of the EAA schools to DPSCD; 2) DPSCD recruitment efforts of other than EAA teachers, beginning last spring and continuing to date. Teacher hiring fairs are currently being held on a biweekly basis; 3) re-assignment of instructional support staff who hold valid teaching certificates, e.g. Instructional Specialists and Special Education Teacher-Consultants.

(2) The increase in Teacher Aides is due primarily to the increase in the number of available positions as a result of the return of the EAA schools to DPSCD.

(3) Net teacher variance equals the sum of classroom teachers and special education teachers:  $332.5 + (166.4) = 166.1$



# Compliance Calendar



# Compliance Reporting Calendar

- Included is a preliminary draft of all finance related reporting items, the organization responsible for submitting the items and the due date. The department will continue to refine and update this list based on changes in state and federal regulations.

Organization	Category	Report/Task	Entity	Due Date
DPS/DPSCD	Audit	Single Audit	State of Michigan	1-Nov
DPSCD	Audit	Budget Transparency Report 1) Personnel Expenditures, 2) Current Operating Expenditures	Website	30-Nov
DPSCD	Audit	Federal Agreed Upon Procedures (AUP) Review	State of Michigan	Quarterly
DPS/DPSCD	Budget	Budget Adoption	State of Michigan	30-Jun
DPSCD	Budget	Budget and Salary/Compensation Transparency Reporting	Website	30-Jun
DPS	Debt	Emergency Loan Performance Evaluation	State of Michigan	22-Jan
DPSCD	Debt	School Loan Revolving Fund Draw Request	State of Michigan	1-Apr
DPS	Debt	Debt Service Principal & Interest Payment	Trustee	24-Apr
DPS	Debt	School District Tax Levy - Form L - 4029	State of Michigan	30-Jun
DPS/DPSCD	Debt	Debt Compliance Certification	State of Michigan	1-Jul
DPS	Debt	Emergency Loan Performance Evaluation	State of Michigan	22-Jul
DPSCD	Debt	School Loan Revolving Fund Annual Application (4084-A, 4385-A)	State of Michigan	1-Aug
DPS	Debt	Debt Service Interest Payment	Trustee	24-Oct

# Compliance Reporting Calendar (Cont.)

Organization	Category	Report/Task	Entity	Due Date
DPSCD	Grants	Consolidated Application Submission - Carry-over Funds	State of Michigan	15-Jan
DPSCD	Grants	Consolidated Application - Initial Submission	State of Michigan	1-Jul
DPSCD	Grants	Title I School Selection Application	State of Michigan	1-Jul
DPSCD	Grants	Section 31a Program Report	State of Michigan	15-Jul
DPSCD	Grants	Title IA Comparability	State of Michigan	10-Dec
DPSCD	Grants	Final Expenditure Report	State of Michigan	60 days after Grant Close
DPSCD	Grants	Physical Inventory (Grant-Funded Assets)	Internal Tracking	Biennially
DPSCD	Grants	Semi-annual certification for 100% federal funded staff	State of Michigan	January, June
DPSCD	Grants	Personnel activity report for split funded staff	Internal Tracking	Monthly
DPSCD	Grants	Section 31a Student Report	MSDS	October, February, June
DPSCD	Medicaid	Section 111 Medicare Reporting	State of Michigan	15-Jan
DPSCD	Medicaid	MAER Report	State of Michigan	31-Jan
DPSCD	Procurement	MiDeal Invoice	State of Michigan	30-Jun
DPSCD	Procurement	Contract approval ( $\geq$ \$250K)	School Board	Monthly
DPSCD	Procurement	FRC Out of State Travel	School Board/FRC	Monthly
DPS/DPSCD	Procurement	Contract approval ( $>$ \$750k OR term $>$ 2 years)	School Board/FRC	Monthly
DPS/DPSCD	Procurement	Collective bargaining agreements	School Board/FRC	Monthly

# Compliance Reporting Calendar (Cont.)

Organization	Category	Report/Task	Entity	Due Date
DPSCD	Risk Management	OSHA Report	State of Michigan	1-Feb
DPSCD	Risk Management	Silicosis, Dust Disease And Logging Ind Comp Fund Assessment - Report	State of Michigan	28-Feb
DPSCD	Risk Management	Second Injury Fund - Report	State of Michigan	28-Feb
DPSCD	Risk Management	Safety Education And Training Levy - Report	State of Michigan	28-Feb
DPSCD	Risk Management	Annual Medical Payment Report (WC-406)	State of Michigan	28-Feb
DPSCD	Risk Management	Workers' Compensation Application for Self Insured Authority	Reporting Entity	1-Jun
DPSCD	Risk Management	Civil Rights Data Collection	State of Michigan	30-Jun
DPSCD	Risk Management	School Infrastructure Data Collection	State of Michigan	30-Jun
DPSCD	Risk Management	Capital Asset Report	State of Michigan	30-Jun
DPSCD	Risk Management	Silicosis, Dust Disease And Logging Ind Comp Fund Assessment - PAYMENT	State of Michigan	31-Jul
DPSCD	Risk Management	Second Injury Fund - PAYMENT	State of Michigan	31-Jul
DPSCD	Risk Management	Safety Education And Training Levy - PAYMENT	State of Michigan	31-Jul
DPSCD	Risk Management	Storage Tank Certification of Insurance to Demonstrate Financial Responsibility	State of Michigan	30-Sep
DPSCD	Risk Management	Michigan Department of State Police	State of Michigan	31-Oct
DPSCD	Risk Management	Application For Certification of a Carrier's Professional Health Care Review Program	Reporting Entity	Change in Carrier

# Compliance Reporting Calendar (Cont.)

Organization	Category	Report/Task	Entity	Due Date
DPS	Reporting	Certify that it has fully complied with all statutory requirements concerning the use of the uniform chart of accounts and audits as promulgated by the Michigan Department of Education, if any.	State of Michigan	1-Jul
DPS	Reporting	Evaluation of the performance of DPS against the five-year plan which was submitted pursuant to the Emergency Loan Board's Order 2016-18	State of Michigan	Bi-annually
DPSCD	Reporting	Registry of Education Personnel (REP)	State of Michigan	Dec 1, June 30
DPS/DPSCD	Reporting	Monthly financial results vs monthly budget and PY	School Board/FRC	Monthly
DPS/DPSCD	Reporting	FTE actuals vs budget and PY	School Board/FRC	Monthly
DPS/DPSCD	Reporting	Bridge cash to budget and actual financial results	School Board/FRC	Monthly
DPS/DPSCD	Reporting	Cash forecast including actuals	School Board/FRC	Monthly
DPS	Reporting	DPS Emergency Loan Report	State of Michigan	Quarterly
DPS/DPSCD	Reporting	MDE - MOU Tasks (Currently being negotiated)	State of Michigan	TBD
DPSCD	Special Education	Special Education Actual Costs (SE 4096)	State of Michigan	15-Sep
DPSCD	Special Education	Transportation Expenditure Report (SE 4094)	State of Michigan	15-Sep
DPSCD	Special Education	Durant Report	WC RESA	22-Sep

# Compliance Reporting Calendar (Cont.)

Organization	Category	Report/Task	Entity	Due Date
DPSCD	Tax	Submit Michigan Unemployment Insurance Agency (UIA) quarterly wage data UIA 1028	State of Michigan	25-Jan
DPS	Tax	1099 Submission	Multiple Entities	31-Jan
DPS	Tax	W-2 Submission	Multiple Entities	31-Jan
DPSCD	Tax	Submit Form 945 Annual Return of Withheld Federal Income Tax	IRS	31-Jan
DPSCD	Tax	Submit electronic forms W-2 (employer copy)	Social Security Administration	31-Mar
DPS	Tax	Personal Property Loss Exemption - Form 5451	State of Michigan	15-Aug
DPS/DPSCD	Tax	Employer Tax - IRS Form 941	IRS	30 days after Quarter
DPSCD	Tax	Submit payroll State, Federal Tax Payment and Retirement withholdings	Reporting Entity	Bi-weekly
DPSCD	Tax	Federal Wage Data	State of Michigan	Quarterly

# Contracts





STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

RICK SNYDER  
GOVERNOR

NICK A. KHOURI  
STATE TREASURER

**DETROIT FINANCIAL REVIEW COMMISSION**

**SCHOOL DISTRICT RESOLUTION 2018-1**

**APPROVING THE COMMUNITY DISTRICT'S JANUARY 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 January 29, 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 January 2018 contract requests, attached as **Exhibit A** to this Resolution but excluding any contracts a majority of Commission members present has agreed to exclude as noted in the minutes, are hereby approved.
2. That the minutes of the Detroit Financial Review Commission meeting at which this Resolution is adopted take notice of the adoption of this Resolution.
3. This Resolution shall have immediate effect.

# Contract Requests

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

	Department	Contract Number	Description	Contract Request Type	Competitively Bid? If not a new contract, was the original contract competitively bid?	Lowest Bid? If not a New Contract, was the original contract the lowest bid?	DPSCD Approval Date	Comments						
1	Finance	17-0019-C	<b>Contract Amount:</b> \$1,660,566 <b>Contract Period:</b> January 29, 2018 – December 31, 2018 <b>Source:</b> General Funds <b>Purpose:</b> To provide brokerage services and insurance coverage for the District <b>Contractor:</b> Aon Risk Services Central, Inc. <b>Location:</b> 3000 Town Center, Ste. 3000, Southfield, MI 48075	Renewal	Yes	Yes	Anticipated Approval  Board 01.09.2018  FRC 01.29.2018	The insurance premiums are increasing due to the addition of three new policies for school board liability, police liability, and general liability. An RFP was conducted in late 2017, however was subsequently cancelled when the respondents’ costs were higher than the incumbent. The decision was made to renew the incumbent’s contract. Other insurance policies held by the district are:  Commercial Property Excess Workers’ Comp Auto Liability Student Travel Underground Storage Tank Surety Bond Aircraft Hull and Liability Student Catastrophic Athletic Accident						
2	Facilities	17-0152-C	<b>Contract Amount:</b> \$945,000 <b>Contract Period:</b> January 29, 2018 – August 31, 2018 <b>Source:</b> General Funds <b>Purpose:</b> To provide a thorough assessment of facilities to support the District’s Strategic Plan <b>Contractor:</b> OHM Advisors <b>Location:</b> 1234 Washington Blvd., 6th Floor, Detroit, MI 48226	New	Yes	No	Anticipated Approval  Board 01.09.2018  FRC 01.29.2018	An RFP was issued in September 2017. Two companies responded. Although Plante Moran’s bid was lower, their work examples submitted and interview conducted made it clear their final product did not provide the same value as OHM. The OHM proposal included the Facility Cost Index (FCI), which would allow the District to understand the full financial investment requirement for the District’s portfolio schools.  <b>RFP Results:</b> <table><tr><th><u>Respondent</u></th><th><u>Cost</u></th></tr><tr><td>OHM</td><td>\$945,000</td></tr><tr><td>Plante Moran</td><td>\$460,500</td></tr></table>	<u>Respondent</u>	<u>Cost</u>	OHM	\$945,000	Plante Moran	\$460,500
<u>Respondent</u>	<u>Cost</u>													
OHM	\$945,000													
Plante Moran	\$460,500													

# DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

## **Regular Board Meeting Insurance Brokerage Services January 9, 2017<sup>1</sup>**

### **Recommendation:**

That the School Board approve the second contract renewal for brokerage services from Aon Risk Services Central Inc., (“Aon”) in an amount not to exceed \$53,051, which services will include procurement by the broker of General Liability and School Board Legal Liability and Police Professional Liability coverage for the period January 1, 2018 to December 31, 2018 in an amount Not-To-Exceed (NTE) \$1,607,515. This will not include health insurance brokerage services.

### **Description and Background:**

The district works with a broker to annually procure commercial, property, liability, causality, excess workers compensation, and other insurance coverage.

The district conducted an RFP in 2016 and selected Aon for brokerage services. The broker procures insurance policies requested by the district for a fixed fee. Previously, the district would purchase insurance from various brokers. This resulted in the district paying commissions on each policy. Working with one broker, the district now pays a fixed fee for all insurance placements. A table of all policies in force is provided as Attachment A.

### **Gap Analysis:**

Over the past eight years, the district has not purchased insurance coverage for General Liability, School Board Legal Liability, and Police Professional Liability. The district and its assets have been liable in the event of a catastrophic incident. In addition, the district does not have a fidelity bond, this policy would protect the district in the event of monetary theft by employees.

### **Previous Outcomes:**

For the past eight years the district was self-insured, which means it managed payment of claims for “gap coverage” areas out of the general operating budget.

---

<sup>1</sup> This Action Item was approved at the Finance Sub-Committee on December 15, 2017.

**Insurance Brokerage Services****Date: January 9, 2018****Expected Outcomes:**

Through a bid process, the district's broker has identified the following insurance companies to provide the necessary gap coverage. This coverage will limit the district's exposure in the event of a catastrophic incident.

<b>RECOMMENDED NEW COVERAGES</b>						
<b>Insurance Policy Coverage</b>	<b>Insurance Company</b>	<b>Policy Period</b>	<b>Description</b>	<b>Premium</b>	<b>Limits</b>	<b>Deductible/SIR</b>
School Board Legal Liability Employment Practices Liability	Illinois National Insurance Company		Provides coverage for Management Professional Liability for DPSCD	\$86,523.00	\$1,000,000 limit	\$500,000
Police Professional Liability Insurance	Lexington Insurance Company		Provides liability coverage for police officers and Department while performing their professional duties	\$345,000.00	\$5,000,000 limit	\$500,000
Commercial General Liability	Lexington Insurance Company		Provides coverage for Liability claims for bodily injury, property damage, and personal injury	\$281,000.00	\$5,000,000 limit	\$500,000 Deductible

As part of the FY 19 budget process, the district will review options for a fidelity bond as additional coverage.

**Financial Impact:**

The district cost for insurance coverage will increase from \$737,515 to \$1,660,515 for the 2018 calendar year. This increase is reflected in the adopted Budget Amendment No. 1.

**Insurance Brokerage Services**

**Date:** January 9, 2018

**Strategic Plan Alignment:**

Responsible Stewardship

**Contact for Item:**

Name: Jeremy Vidito, Chief Financial Officer

Phone 313-873-6194

Email: [jeremy.vidito@detroitk12.org](mailto:jeremy.vidito@detroitk12.org)

**Supporting Documents/Attachments:**

Attachment A – Table of Policies In-Force as of December 1, 2017  
Contract

# DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

## **Regular Board Meeting OHM Advisors - Facilities Assessment and School Facility Planning January 9, 2017<sup>1</sup>**

### **Recommendation:**

That the School Board approves a contract with OHM Advisors to conduct an independent facility assessment on each of its currently used school buildings in an amount Not-to-Exceed (NTE) \$945,000.

### **Description and Background:**

OHM Advisors provides architecture, engineering, and facilities planning services. OHM Advisors is a three-time recipient of the American Council of Engineering Companies of Michigan (ACEC/M) Firm of the Year Award, an ENR Top 500 Firm, and a 101 Best & Brightest Company by the Michigan Business & Professionals Association since 2006. OHM Advisors has worked with school districts across the country in planning and re-visioning delivery of education in school buildings that have been converted into state of the art 21<sup>st</sup> Century Learning environments. OHM will partner with Alpha Facilities Solutions to conduct the facility review. Alpha conducts facility assessments at national scale for the department of defense, universities, and school districts among other entities.

### **Gap Analysis:**

For nearly a decade, Detroit Public Schools was led by emergency managers. Decisions made during this time were primarily driven by short-term, crisis management, and asset reduction. These solutions lacked creativity and strategic planning with respect to investment in the facilities portfolio and a sustainable and comprehensive plan to ensure every neighborhood offered a consistent and coherent feeder pattern of traditional public schools. With the transition to an elected and empowered school board to govern Detroit Public Schools Community District, it has inherited school buildings with an average age of 66 years old that are in need of review to later determine proper investment and usage.

Detroit Public Schools Community District has experienced its first increase in enrollment in 15 years. The district's growth was significant and exceeded both internal and external growth projections. In line with the district's commitment to responsible stewardship, the district now seeks to strategically examine its school based facilities portfolio in order to realign and

---

<sup>1</sup> This Action Item was approved at the Finance Sub-Committee on December 15, 2017.

**OHM Advisor Contract****Date: January 9, 2017**

strategically leverage taxpayer assets. This requires a comprehensive assessment to provide a roadmap for strategic reinvestment in schools and neighborhoods.

The district lacks modern, updated, and industry-standard facility information about its schools to make informed decisions about their future use and necessary investment.

**Previous Outcomes:**

This would be the district's first contract with OHM and the first such review of facilities of Detroit Public Schools Community District<sup>2</sup> in recent times.

**Expected Outcomes:**

The district will gain a comprehensive report from OHM to assist with rebuilding and realignment of school facilities. This will include a modern Facility Index Cost and a detailed report indicating what investments are required to bring each school to safety to life and education standards and at what cost. Although the final report is not due until June 2018, the district will meet periodically throughout the assessment process with OHM to ensure the review is timely and providing the information requested.

**Alignment to Strategic Plan:**

Responsible Stewardship

**Financial Impact:**

NTE \$945,000, General Fund (Settlement)

*Bid Process:* DPSCD issued a Request for Proposal in 2016-2017 school year for Building Assessments and School Planning Services. Besides OHM Advisors, Plante Moran Cresa provided a bid response for this work.<sup>3</sup>

---

<sup>2</sup> During the 2010/2011 school year, Detroit Contracting and the PMT Group performed a facilities audit on a small subset of school buildings with the sole intent of planning additional school closures. Conversely, the goal of OHM's work is to gain a clear understanding of the conditions of district schools and make decisions where to invest in schools that can help rebuild the district or disinvest in buildings that have reached or exceeded their useful life.

<sup>3</sup> Although Plante Moran is approximately \$400,000 less than the proposal offered by OHM Advisors. The OHM Advisor proposal offered a more independent, modern, and national facility review model to provide a comprehensive yet usable long-term assessment for the district. Simply selecting the firm with the lower cost will not yield the data the district needs in this most important process.

**OHM Advisor Contract**

**Date: January 9, 2017**

**Contact for Item:**

Name: Felicia M. Venable, Senior Executive Director, Operations and Auxiliary Services

Phone: 313-218-2876

Email: [felicia.venable@detroitk12.org](mailto:felicia.venable@detroitk12.org)

**Supporting Documents/Attachments:**

Contract



# Out-of-State Travel





STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

RICK SNYDER  
GOVERNOR

NICK A. KHOURI  
STATE TREASURER

**DETROIT FINANCIAL REVIEW COMMISSION**

**SCHOOL DISTRICT RESOLUTION 2018-2**

**APPROVING THE COMMUNITY DISTRICT'S JANUARY 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 January 29, 2018, 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 January 2018 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 (estimated cost) are being provided to the Board of Education for review and approval. These must also be 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	Students	Faculty	Participants	Funding Source	Total Est. Cost	Approved by:
---	-----------------	------------------	---------------------	---------------------	----------------	----------	---------	--------------	----------------	-----------------	--------------

1	HBCU Tour	GA, FL, TN, OH	3/26/18 - 3/31/18	Office of the Deputy Superintendent	0	40	6	46	SIG	\$44,506.00	Finance Sub-Committee approved 12/15/17 and Academic Sub-Committee approved 12/18/17; Board approved 01/09/18
2	2018 Beyond School Hours Educational Conference	Orlando, FL	2/21/18 - 2/24/18	Office of the Deputy Superintendent	5	0	0	5	21st Century Community Learning Center Grant	\$9,513.20	Finance Sub-Committee approved 12/15/17 and Academic Sub-Committee approved 12/18/17; Board approved 01/09/18
3	NSBA Annual Conference	San Antonio, TX	4/6/2018 - 4/9/2018	Board of Education	5	0	0	5	General Fund	\$12,355.24	
4	NSBA 2018 Advocacy Institute	Washington, D.C.	2/4/2018 - 2/6/2018	Board of Education	2	0	0	2	General Fund	\$390.00	Total cost will be \$1,390; The District will receive a \$1,000 reimbursement from Wayne County Association of School Boards after the conference leaving the actual cost to the District at \$390.
5	Latinx 2020: Education, Census and Politics Conference	San Antonio, TX	4/7/2018 - 4/9/2018	Board of Education	1	0	0	1	General Fund	\$1,331.54	

Grants: \$54,019.20  
General Fund: 14,076.78  
**Total: \$69,095.98**

# DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

## Regular Board Meeting Out-of-State Travel Request January 9, 2017<sup>1</sup>

### Recommendation:

That the School Board approve the request for out of state travel for Osborn High School as described below in the total amount of \$44,506, which will be paid using grant funds.

### Description and Background:

The following represents the travel request for approval:

Trip Details	Estimated Cost		Comments
<i>Event:</i> HBCU College Tour <i>Location:</i> GA, FL, TN, OH <i>Dates:</i> 3/26/18 – 03/31/18 <i>Department:</i> Osborn High School <i>Participants:</i> 40 students/ 6 chaperones <i>Funding Source:</i> Grants	All inclusive: Transportation, lodging & food - \$910- per student/ \$1351- per chaperone Total:	\$36,400 \$8106 \$44,506	SIG Grant

### Gap Analysis:

Students are often lacking access to college experiences. In partnership with Educational Travel Adventures, The Historically Black College and University (HBCU) tour is designed to expose high school students to campus life while also giving the opportunity to visit historically significant landmarks. Students will visit Central State, Wilberforce College, Florida Agricultural and Mechanical University, Tuskegee University, Fisk University, Morehouse College, Clark Atlanta University, Tennessee State, Alabama A&M and Spelman College. Students will also have admission to The National Center for Civil and Human Rights and Martin Luther King, Jr, National Historic Site.

### Previous Outcomes:

The school has previously partnered with Educational Travel Adventures and reported a positive experience.

---

<sup>1</sup> This Action Item was approved at the Finance and Academic Sub-Committees on December 15 and 18, 2017.

**Out-of-State Travel**

**Date:** January 9, 2017

**Expected Outcomes:**

Students will gain insight on their career interest while gaining access to culture as it exists within prominent institutions.

**Financial Impact:**

\$44,506 funded by the School Improvement Grant.

**Strategic Plan Alignment:**

Whole Child Commitment

**Contact for Item:**

Iranetta Wright, Deputy Superintendent of Schools

Phone: (313) 873-6893

Email: [iranetta.wright@detroit.k12.org](mailto:iranetta.wright@detroit.k12.org)

# DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

## Regular Board Meeting Out-of-State Travel Request January 9, 2017<sup>1</sup>

### Recommendation:

That the School Board approve the request for out of state travel for the 21st Century Community Learning Center as described below in the total amount of \$9,513.20. The travel is required under the 21<sup>st</sup> Century Grant and will be funded through the grant.

### Description and Background:

The following represents the travel request for approval:

Trip Details	Estimated Cost		Comments
<i>Event:</i> 2018 Beyond School Hours Educational Conference	Registration:	\$2,650.50	21 <sup>st</sup> Century Grant
<i>Location:</i> Orlando, Florida	Transportation:	\$2,472.00	
<i>Dates:</i> 2/21/18 – 02/24/18	Lodging & Food:	\$4390.70	
<i>Department:</i> Deputy of Schools	Total:	\$9,513.20	
<i>Participants:</i> 4 site coordinators/1 program director			
<i>Funding Source:</i> Grants			

### Gap Analysis:

Beyond School Hours (BSH) is an organization recognized for their commitment to quality programming for students during out-of-school time. This professional learning experience will allow participants to attend workshop sessions with other professionals while engaging in professional development on program resources, building community partners, building

---

<sup>1</sup> This Action Item was approved at the Finance and Academic Sub-Committees on December 15 and 18, 2017.

**Out-of-State Travel**

**Date: January 9, 2017**

successful summer literacy programs and quality implementation of 21<sup>st</sup> Century programs.

**Previous Outcomes:**

As a part of the 21<sup>st</sup> Century Learning Center collaborative, the BSH conference was identified as a key strategy in the execution of the grant funds.

**Expected Outcomes:**

Staff will further develop skills for after school programming.

**Financial Impact:**

\$9,513.20 funded by the 21<sup>st</sup> Century Community Learning Center grant.

**Strategic Plan Alignment:**

Whole Child Commitment

**Contact for Item:**

Iranetta Wright, Deputy Superintendent of Schools

Phone: (313) 873-6893

Email: iranetta.wright@detroit.k12.org



# DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

## Regular Board Meeting Out-of-State Travel Request January 9, 2018

### Recommendation:

That the School Board approve the request for out of state travel for select Board Members to attend the (1) National School Board Association (NSBA) Annual Conference; (2) NSBA 2018 Advocacy Institute; and (3) Latinx 2020: Education, Census and Politics Conference in the total amount of \$15,077.

### Description and Background:

Trip Details	Estimated Cost		Comments
<i>Event:</i> NSBA Annual Conference <i>Location:</i> San Antonio, TX <i>Dates:</i> 4/6/2018 – 4/9/2018 <i>Department:</i> Board of Education <i>Participants:</i> 5 Board Members <i>Funding Source:</i> General Funds	Registration: Transportation: Lodging & Food: Per Diem: Total:	\$4,575.00 \$3,298.00 \$3,222.24 \$1,260.00 \$12,355.24	None.
<i>Event:</i> NSBA 2018 Advocacy Institute <i>Location:</i> Washington, D.C. <i>Dates:</i> 2/4-2/6, 2018 <i>Department:</i> Board of Education <i>Participants:</i> 2 Board Members <i>Funding Source:</i> General	Registration: Transportation: Lodging: Per Diem: Total Pre-Award: Post-Award:	\$1,390.00 N/A N/A N/A \$1,390.00 \$390.00	The District will receive a \$1,000 reimbursement from Wayne County Association of School Boards after the conference leaving the actual cost to the District at \$390.
<i>Event:</i> Latinx 2020: Education, Census and Politics Conference <i>Location:</i> San Antonio, TX <i>Dates:</i> 4/7/2018 – 4/9/2018 <i>Department:</i> Board of Education <i>Participants:</i> 1 Board Member <i>Funding Source:</i> General	Registration: Transportation: Lodging: Per Diem: Total:	\$210.94 \$490.60 \$378.00 \$252.00 \$1,331.54	

**Out-of-State Travel**  
**Date: January 9, 2018**

**Contact for Item:**

Karen Morgan, Executive Assistant to the Board of Education  
Phone: (313) 873-4104  
Email: karen.morgan@detroitk12.org