



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

DETROIT FINANCIAL REVIEW COMMISSION

SCHOOL DISTRICT RESOLUTION 2020-17

**APPROVING THE COMMUNITY DISTRICT'S JULY 2020 CONTRACT
REQUESTS**

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

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

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

WHEREAS, at the Commission meeting on July 27, 2020, the Community District presented applicable contracts, attached as **Exhibit A** to this Resolution, for the Commission's review and approval.

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

1. That the Community District's July 27, 2020 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	20-0122	Contract Amount: \$2,636,000 Contract Period: July 14, 2020 – September 30, 2021 Source: General and Grant Funds Purpose: Support services to the District across various functions Contractor: Wayne RESA Location: 33500 Van Born, Wayne, MI 48184	Renewal	N/A	N/A	Finance Committee 06.26.2020 Board 07.14.2020 Anticipated Approval FRC 07.27.2020	Wayne RESA is a regional educational service agency that provides numerous services to the District including trainings to support teachers, administrators, and central office personnel, pupil accounting audit services, administration of Private Non-Public School grants and Mi-Star services. They also coordinate the District’s membership in the Tri-County Alliance.

Contract Requests

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	Department	Contract Number	Description	Contract Request Type	Competitively Bid? If not a new contract, was the original contract competitively bid?	Lowest Bid? If not a New Contract, was the original contract the lowest bid?	DPSCD Approval Date	Comments
2	Operations	21-0038-C 21-0039-C 21-0040-C	<p>Contract Amount: \$2,605,515 \$1,469,700 \$887,796</p> <p>Contract Period: July 27, 2020 – June 30, 2021</p> <p>Source: General Funds</p> <p>Purpose: Roof Repair & Replacement</p> <p>Contractors: Royal Roofing Bloom Roofing Lutz Roofing</p> <p>Location: Orion, MI Shelby Twp, MI Brighton, MI</p>	New	Yes	No	<p>Finance Committee 06.26.2020</p> <p>Board 07.14.2020</p> <p>Anticipated Approval FRC 07.27.2020</p>	<p>On April 15, 2020, the District issued RFP 19-0234 for roof replacement and repair of twelve schools: Logan, Cass Tech, Bennett, Western, West Bus Terminal, Davison, White, Carver, Detroit International Academy, Bunche, Gardner, and Edmonson. DemandStar noticed over 500 qualified and registered firms; the District received nine qualified responses for the 12 Schools. Based on evaluation of the proposals, Bloom Roofing, Royal Roofing, Schena Roofing, and Lutz Roofing were selected as the awarded vendors due to pricing, past work history with DPSCD, overall capability, qualifications, and the ability to meet the District’s project timeline.</p> <p>In two instances, for Bennett and White, the lowest cost vendor was not selected. The variance in cost was \$5K and \$54K, respectively. In order to meeting timing, and to align scheduling with the vendors, the lowest cost bid could not be selected for those two schools.</p>

Contract Requests

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	Department	Contract Number	Description	Contract Request Type	Competitively Bid? If not a new contract, was the original contract competitively bid?	Lowest Bid? If not a New Contract, was the original contract the lowest bid?	DPSCD Approval Date	Comments
3	Finance	Various	<p>Contract Amount: \$8,925,105.00 Contract Period: July 14, 2020 – June 30, 2021 Source: Title I, II, III, and IV Grant Funds Purpose: School Based Services Contractors: Banks Services, Blucar, Catapult Learning West, Competitive Education Solutions, Curriculum Associates, DPR Educational, Free 2 Be, Fresh Perspectives, Generation Ready, GPS Solutions, Insideout Literacy, Learn It Systems, Living Arts, Neighborhood Legal Services of Michigan, Scholastic, STEM, The Achievement Network, The Manhood Project, The Yunion, University Instructors, Village Solutions</p>	New	Yes	Yes	<p>Finance Committee 06.26.2020</p> <p>Board 07.14.2020</p> <p>Anticipated Approval FRC 07.27.2020</p>	<p>In November 2019, four RFPs were issued in the areas of conflict resolution, parent engagement, core academics, and professional development for school based, title funded services. Via DemandStar, 2,740 total vendors were notified of the RFPs and 83 responses were received on or by January 10, 2020. Four distinct Evaluation Committees consisting of school principals, district administrators, and representatives from private nonpublic (PNP) schools. Because the District is taking over administration of title funding for PNP schools, they were included in the process. Only one contract, for GPS Solutions, exceeds \$750K. This contract will commence after FRC approval.</p> <p>The following vendors were selected based on their program offerings, capacity, past performance and overall price:</p> <ul style="list-style-type: none"> • Wraparound Services - Blucar, Catapult Learning, Neighborhood Legal Services Michigan, The Manhood Project and The Yunion • Parent Engagement - Banks Services, Blucar, Catapult Learning, Free 2 Bee, Fresh Perspectives, GPS Solutions, Neighborhood Legal Services Michigan, STEM and The Yunion • Core Academic Support - Catapult Learning, Competitive Education Solutions, Curriculum Associates, DPR Educational, GPS Solutions, Learn It Systems, Living Arts, Neighborhood Legal Services Michigan, University Instructors and Village Solutions • Professional Development - Catapult Learning, Generation Ready, GPS Solutions, Scholastic and The Achievement Network

**Agenda Item Details**

Meeting	Jun 26, 2020 - *Virtual* Finance Committee Meeting
Category	4. Action Items
Subject	4.05 Approval of Contract Renewal with Wayne RESA
Type	Action

Recommendation:

That the School Board approve contract renewal with Wayne RESA for various services for a period of July 14, 2020 through September 30, 2021 in an amount not to exceed \$2,636,000.

Description and Background:

Wayne RESA is a regional educational service agency that provides broad consortium-level services and support to Wayne County's 33 school districts to maximize economies of scale in staff development, purchasing, lobbying, and administrative services. Wayne RESA provides a wide array of training services that are available to staff in Wayne County. The District has used the trainings to support teachers, administrators, and central office personnel.

In addition, Wayne RESA owns the MISTAR student information system and has provided support with special education and core systems administration and business process functions. As the District transitions to PowerSchool, we will need data storage and retrieval services, along with professional services to support the transition to PowerSchool. Wayne RESA also serves as auditors to verify the District's fall and winter student enrollment audit, and coordinates the District's membership in the Tri-County Alliance.

Wayne RESA has provided Private Non-Public (PNP) school support on behalf of the District per an agreement with Michigan Department of Education. That agreement is concluding with the 2019-2020 school year and the program administration will transition back to the District.

Gap Analysis:

The District would lose access to core programs, professional development activities as well as be out of compliance with state pupil accounting and federal programs. Failure to complete the required pupil accounting would put the District's Foundation Allowance at risk.

Previous Outcomes:

Wayne RESA serves as a trusted, publicly accountable partner in the delivery of its services. The District contracted with Wayne RESA in 2009 to support its migration to the MISTAR student system. In subsequent years, the District has relied heavily on Wayne RESA and subcontractors to administer the student information system and support core functions.

Fiscal Year	Expenditures
FY 2018	\$1,231,400
FY 2019	\$4,804,312
FY 2020*	\$3,350,000

*Anticipated total through June 30, 2020.

Expected Outcomes:

Wayne RESA will complete final expenditures and reimbursements for the 2019-2020 PNP program through September 30, 2020. Administration of the 2020-2021 program has already moved to the District and will be administered by the District.

Wayne RESA will continue to support the District in the functional areas set forth above, including providing access to all historical Mi-Star data.

Alignment to Strategic Plan:

Responsible Stewardship

Financial Impact:

\$2,636,000 from General Fund and Grant Funding

Contracted Services and Staffing	General Fund	Grant
Professional Development & Other Services	\$10,000	\$75,000
Mi-Star Consortium Fees	\$150,000	
Mi-Star Contracted Services	\$60,000	
Pupil Accounting Audit	\$35,000	
Tri-County Alliance	\$5,000	
Administration of Private Non-Public School Grants	\$0	\$2,000,000
Contingency (10% of total amount)	\$26,000	\$275,000
Total Amount	\$286,000	\$2,350,000

**Agenda Item Details**

Meeting	Jun 26, 2020 - *Virtual*Finance Committee Meeting
Category	4. Action Items
Subject	4.06 Approval of Contract with Bloom Roofing, Lutz Roofing, Royal Roofing, and Schena Roofing
Type	Action

Recommendation:

That the School Board approve contracts with (i) Bloom Roofing, (ii) Lutz Roofing, (iii) Royal Roofing, and (iv) Schena Roofing for roof repairs and replacements for the period of July 1, 2020 through June 30, 2021 in a total amount not-to-exceed \$5,440,234.

Description and Background:

Bloom Roofing is a local, Michigan business that opened its doors in 1979, and has installed over 150 million square feet of commercial and industrial roofing for over 2,000 customers. Bloom has worked with the District previously installing roofing at Palmer Park Preparatory Academy in 2018. Bloom Roofing assisted the District in the development of standards for reporting and scheduling that District's Division of Operations continues to use. In connection with this action item, Bloom Roofing was tasked with installation of replacement roofs at Thirkell Elementary-Middle School, Marquette Elementary-Middle School, and Central High School in fiscal year 2018-2019. Also, the company completed repairs to roofs at Roberto Clemente Learning Academy and Ronald Brown Academy during the 2019 roofing season.

Royal Roofing, is a full-service roofing commercial contractor and has assisted the District by installing roofs at A.L. Holmes Academy of Blended Learning, Noble Elementary-Middle School, and Garvey Academy in the 2017-2018 fiscal year. Royal Roofing also has a standard one-year workmanship warranty. Under the contract, the manufacturer of the roofing materials offers a 20-year factory warranty on materials. All projects were successfully completed. Royal roofing has assisted the District in past years by performing roof scans and reports for District consideration in roof capital projects.

Lutz Roofing, is a full-service roofing and sheet metal commercial contractor with over 35 years of experience installing single ply commercial roof systems in Michigan, Ohio, Illinois and Indiana. Lutz Roofing installed roofing systems at Emerson Elementary-Middle School, Bagley Elementary School of Journalism and Technology, and Spain Elementary-Middle School in 2016-2017 fiscal year. Spain's roof was the system financed by the Ellen Degeneres Show and attracted sizable local media attention. Also, during the 2017-2018 fiscal year, Lutz worked on a series of District-wide repairs at Cody High School, Mann Learning Community, Carver STEM Academy, Henry Ford High School, and several other District schools. All projects were successfully completed.

Schena Roofing, is a full-service roofing commercial contractor. The firm is family owned, and services the Michigan, Indian, Ohio areas. Schena has been in business of commercial and institutional, large scale roofing projects for over 50 years. Our roofing consultant, Plante-Moran highly recommends them for this work.

All four roofing contracted companies offer one-year warranties on workmanship on every new roof installation, with 20-year warranties on materials. They are also certified and authorized to repair every roof system they offer by the manufacturers of the roofing systems. Therefore, if unforeseen water intrusion occurs, the District can be assured the roof is repaired correctly.

Fiscal Year 2018 – 2019

\$1,449,131

Fiscal Year 2019 – 2020

\$1,117,722

Lutz Roofing	Contract Expenditure
Fiscal Year 2017 – 2018	\$237,515
Fiscal Year 2018 – 2019	\$227,343
Fiscal Year 2019 – 2020	\$435,590

Royal Roofing	Contract Expenditure
Fiscal Year 2018 – 2019	\$2,508,800

Expected Outcomes:

The District would initiate roof replacements and repairs at Edmonson Elementary School, Carver STEM Academy, Bennett Elementary School, Gardner Elementary School, Detroit International Academy (former building location), GEE White (new location of DIA), Western High School, the West Bus Terminal, Cass Technical High School, Bunche Preparatory Academy, the Academy of Americas at Logan, and Davison Elementary-Middle School. The unit pricing in the contracts proposed by the vendors is noted below. In addition, the District would immediately implement a roofing maintenance plan to protect these roofs once replaced that is aligned to the manufacturer's warranty parameters.

Bloom Roofing - ROOF REPLACEMENTS	
Total SF	49,000
Cost	\$771,996
15% Contingency	\$115,800
Total NTE	\$887,796

Lutz Roofing - ROOF REPLACEMENTS	
Total SF	99,060
Cost	\$1,278,000
15% Contingency	\$191,700
Total NTE	\$1,469,700

Royal Roofing - ROOF REPLACEMENTS		Royal Roofing - ROOF REPAIRS	
Total SF	130,000		
Cost	\$1,831,365	Cost	\$434,300
15% Contingency	\$274,705	15% Contingency	\$65,145
Total NTE	\$2,106,070	Total NTE	\$499,445

Schena Roofing - ROOF REPLACEMENTS		Schena Roofing -ROOF REPAIRS	
Total SF	44,300		
Cost	\$367,286	Cost	\$47,690
15% Contingency	\$55,093	15% Contingency	\$7,154
Total NTE	\$422,379	Total NTE	\$54,844

The majority of roof replacements are scheduled to be completed on or before September 4, 2020. With such an extensive list of schools, some may be completed during the 2021 construction season.

Alignment to Strategic Plan:

Responsible Stewardship

Financial Impact:

\$5,440,234 from Capital Funds

Bid Process: On April 15, 2020 the District issued a Request for Proposals (RFP 19-0234) for roof replacement and repair of twelve schools: Logan, Cass Tech, Bennett, Western, West Bus Terminal, Davison, White, Carver, Detroit International Academy, Bunche, Gardner and Edmonson. DemandStar noticed over 500 qualified and registered firms; the District received nine qualified responses for the 12 Schools. Based on evaluation of the proposal, Bloom Roofing, Royal Roofing, Schena Roofing and Lutz Roofing were selected as the suppliers due to pricing, past work history with DPSCD, overall capability, qualifications, and the ability to meet the District's project timeline.

Contact for Item:

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Agenda Item Details

Meeting	Jun 26, 2020 - *Virtual*Finance Committee Meeting
Category	4. Action Items
Subject	4.03 Approval of School Based Contracts for District and PNP Schools
Type	Action

Recommendation:

That the School Board approve contracts with Banks Services, Blucar, Catapult Learning, Competitive Education Solutions, Curriculum Associates, DPR Educational, Free 2 Bee, Fresh Perspectives, Generation Ready, GPS Solutions, Insideout Literacy Arts, Learn It Systems, Living Arts, Neighborhood Legal Services of Michigan, Scholastic, STEM, The Achievement Network, The Manhood Project, The Yunion, University Instructors and Village Solutions for school-based core academic, wrap around, professional development and parent engagement services through September 30, 2021 in an amount not to exceed \$8,925,105.

Description and Background:

District schools receive Discretionary General Fund and Title I (31a) budgets as part of the school model. The grant funds must be spent to support targeted students to ensure their academic performance and social and emotional development. During the budget process, schools allocate funding for various programs based on their schools' unique needs in the area of Core Academic Supports, Wrap Around Services, Professional Development or Parent Engagement.

Core Academic Supports: Programs provide students tools and skills to build capacity and confidence, knowledge, skills, and strategies in core academics including Science/STEAM/ STEM, Mathematics, ELA/Literature and Writing.

Wrap Around Services: Provide students with knowledge, skills, and strategies to ensure academic success and healthy social and emotional development.

Professional Development: Programs provide teachers and school leaders tools and skills to help students succeed academically, socially, and emotionally.

Parent Engagement: Programs provide parents and caregivers tools and skills to build capacity and confidence to support students academically, socially, and emotionally and increase effectiveness in advocating and leading on behalf of students.

The District conducted RFPs to select vendors to provide contracted services for the areas of Core Academic Support, Wrap Around Services, Professional Development and Parent Engagement. The RFP Evaluation Committees consisting of Principals, relevant District Administrators, and PNP School Representatives evaluated each of the proposals. The evaluations were evaluated on their program offering, capacity, past performance, and overall price.

Now that the District administers equitable access of Federal Grants to Private Non-Public Schools, they too are eligible for services to support targeted students. Their funding and applicable expenditures is limited to eligible Federal Title I, II, III, IV, and CARES Act allocations.

Gap Analysis:

District and PNP schools would be unable to provide supplemental contract services. The District would be at risk for complaints from PNP schools to the US Department of Education saying we were limiting their ability to provide equitable supports.

Previous Outcomes:

In order to improve school operations, the District conducted RFPs to identify eligible program vendors. This allowed schools to identify vendors and submit requisitions prior to the start of the school year ensuring that services could start on Day 1, rather than six months into the school year. Previously schools were often unable to get their services due to delays in procurement or two schools paid different rates.

Through the RFP the District identified approved vendors in each of the core areas that schools could contract. During the 2019-2020 school year, none of the individual vendor contracts exceeded the School Board limit of \$250,000. Now that vendors may provide services to District and PNP schools, and PNP schools will receive an additional allocation of funding from the CARES Act the individual contracts may exceed the \$250,000 threshold depending on school selections.

Fiscal Year	Expenditures
FY 2018	\$3,981,421
FY 2019	\$1,287,050
FY 2020*	\$588,203

*Expenditures were lower due to COVID-19 pandemic and school closures.

Expected Outcomes:

The approved vendors will provide eligible services to targeted students based on the schools allocated budget.

Alignment to Strategic Plan:

Outstanding Achievement
Transformative Culture

Financial Impact:

Funding Source: Title I, II, III, and IV

Contracted Services and Staffing	Anticipated Cost
District Schools	\$2,113,731
Private Non-Public Schools	\$6,000,000
Contingency (10% of total amount)	\$811,373
Not to Exceed Total	\$8,925,105

Contact for Item:

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