

Contract Requests



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

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STATE TREASURER

DETROIT FINANCIAL REVIEW COMMISSION

SCHOOL DISTRICT RESOLUTION 2020-7

**APPROVING THE COMMUNITY DISTRICT'S APRIL 2020 SPECIAL
MEETING 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's Special Meeting on April 8, 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 Special Meeting on April 8, 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.

Governor's Emergency Order 2020-35

On April 2, due to the Covid-19 health crisis, the Governor issued Emergency Order 2020-35 which closed school buildings for the remainder of 2019-2020 school year.

In order to continue to receive state funding, school districts are required to:

- Provide instructional support to students and families through digital, remote, or other medium for the remainder of the school year;
- Provide assistance to pupils enrolled in dual enrollment courses;
- Continue to provide food distribution to eligible pupils;
- Continue to pay employees;
- Provide evaluation of participation; and
- Provide mental health supports to pupils.

The district must initiate these services no later than April 28th.

Authorization to Purchase

School Board Procurement Policy 6320 allows the Superintendent to make Emergency Purchases without prior School Board approval. The purchase of digital and print materials and resources to provide to students in alignment with the Governor's Emergency order fits this requirement.

The district will issue Purchase Orders in lieu of contracts followed by purchase orders to the vendors identified. Purchase Orders are allowed for in the district's procurement manual and are legally binding contracts once issued by the District and accepted by the seller.

Contract Requests

The following contract(s) and/or purchase order(s) are being provided to the Financial Review Commission (“FRC”) for review and approval. Contracts or purchase orders 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	Curriculum and Instruction	N/A	<p>Contract Amount: \$3,200,000.00 Contract Period: April 8, 2020 – June 30, 2020 Source: Grant Funds Purpose: Supplemental Curriculum Material Weekly, XanEdu Contractor: ECA Educational Services, Studies Location: Commerce Township, MI 48390 Orem, UT 84057 Ann Arbor, MI 48108</p>	Increase/New	No	N/A	<p>Academic Committee N/A</p> <p>Finance Committee N/A</p> <p>Board N/A</p> <p>FRC 04.4.2020</p>	<p>Executive Order 2020-35 issued on April 2, 2020 closed all school districts for the remainder of the year and stipulated that districts must put distance learning plans in place. To that end, the District’s C&I team has pulled together distance learning printable material, as well as digital plans, to disseminate to students at the 17 District “grab and go” locations. The Superintendent is using his executive authority, per board policy, to make these emergency purchases with the board’s full knowledge.</p> <p>Purchase orders will be issued to the three vendors as follows: ECA \$1,600,000 (exclusive of \$775,000 contingency) Studies Weekly \$400,000 XanEdu \$200,000 (exclusive of \$225,000 contingency)</p> <p>The board and FRC previously approved \$1,400,000 in March of 2020 for ECA. This purchase was for science kits to be used in the FY21 school year. This amount is not reflected in the listing above.</p> <p>Purchase orders will be issued in accordance with the agreed upon quotes and shall be considered the binding agreement between the District and the vendor.</p>



Agenda Item Details

Meeting	Apr 24, 2020 - Finance Committee Meeting
Category	4. Action Items
Subject	Supplemental Curriculum Material Purchase
Access	Public
Type	Action
Recommended Action	That the School Board approve \$3,200,000 for the procurement of supplemental curriculum materials to be used during the school closure.

Public Content

Recommendation:

That the School Board approve \$3,200,000 for the procurement of supplemental curriculum materials to be used during the school closure.

Description and Background:

On Tuesday April 2, 2020 the Governor issued Emergency Order 2020-35 which closed District school buildings for public education for the remainder of the 2019-2020 school year. Despite the building closure, the EO, outlines the continued commitment by the State and the District to providing opportunities to learn. Districts are asked to focus on communication, common sense, compassion, creativity, and collaboration when developing instructional learning plans rather than strict adherence to compliance.

Prior to the Emergency Order, the District had provided student workbooks to families through the Food Distribution centers, made online learning tools available through our website, and increased support through our Homework Hotline.

Now that the buildings are closed for instruction for the remainder of the school year, the District will provide grade level instructional packets. Packets will contain standards aligned materials at all grade levels, in all core content areas, as well as materials for Art, Music, PE, and Exceptional Student Education. Packets will be printed and available for all families to pick up at the District Food Distribution sites, available online, and available at other sites as necessary.

Gap Analysis:

Many of our families lack access to internet and/or technology devices. Therefore, in order to ensure equitable access to the instructional materials, the District must make print options available.

The District would not be eligible for continued funding from the state if we did not provide both digital and print options.

The District will use available Federal Title I and Title IV funding to produce materials. The funding was earmarked for expenditures (Supplies, Field Trips, Professional Development) that would have been completed in the Spring, but with the Governor's emergency order the purchases will no longer be made.

Previous Outcomes:

When the Governor initially closed schools on March 16th, the District provided three-week student packets in the core content – ELA, Math, Science and Social Studies. Those materials were printed and distributed at the Food Distributed sites and available for download from the District's website.

In March, the District spent \$162,841 to procure printed materials for the initial three-week packets with XanEdu, All Pro-Color, Community Publishing, and Staples.

The District approved a \$1.4M contract in March with ECA to purchase Science instructional materials.

Expected Outcomes:

The Superintendent under the Emergency Procurement section of Board Policy 6320, initiated work with three vendors to print, assemble and distribute the grade level materials.

- **ECA:** The printing company will provide printed materials for grades K-12 in core subjects ELA, Science, Social Studies, Science and electives Art, Music and PE. Additionally, ECA will provide printed materials for K-8 Math. ECA will receive printed materials from Studies Weekly and XanEdu and combine the printed materials into individual student packets. ECA will then deliver the materials to district locations and setup a distribution center at the locations so materials are available for student/family pickup. The initial estimated cost is \$1.6M.
- **Studies Weekly:** The company will provide supplemental printed workbooks for K-8 Science and K-5 Social Studies. The estimated cost is \$400k.
- **XanEdu:** The education company will provide printed materials for Pre-K, Exceptional Student Education, and High School Math. The estimated cost is \$200K.

Printed student packets will be available to families for distribution beginning April 16th. Based on demand, the District may produce reprint materials in order to ensure materials are available at all sites. Costs and estimated contingency are listed below.

Vendor	Initial Purchase	Contingency	Total
ECA	\$1,600,000	\$775,000	\$2,375,000
Studies Weekly	\$400,000	-	\$400,000
XanEdu	\$200,000	\$225,000*	\$325,000
Total	\$2,200,000	\$1,000,000	\$3,200,000

*The District spent approximately \$118,000 with XanEdu for the initial three-week printing.

Alignment to Strategic Plan:

Outstanding Achievement

Financial Impact:

\$3.1 million in Federal Funds

Contact for Item:

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Administrative Content

Executive Content