

# **Livonia Public Schools**

---

## ***Business Services Office***

Date: January 30, 2014

To: Randy Liepa, Ph.D., Superintendent

From: Lisa Abbey, Director of Business Services

Re: Accounting and Bid Procedures for Bond

Attached please find a detailed document outlining accounting procedures for bid proposals, purchase orders, invoicing, change orders and other accounting related issues for the voter approved bond.

Generally, these procedures follow our current practices and policies but have been updated to include the role and responsibilities of Plante Moran Cresa (PMC). The procedures meet the State of Michigan requirements, the Livonia Public School Board of Education policies and reflect appropriate accounting practices.

Please note we have updated the change order process to reflect the magnitude of the bond and relative size of the projects. Specifically, our current practice is that Board approval on a change order is only required if the change order is greater than 10% of the project. Given that some projects will be in the millions of dollars, we believed this threshold was too high and the procedures reflect a more appropriate level of approvals.

We would like to review and discuss the proposed procedures at the next Finance Committee meeting on Monday, February 3, 2014. Please let me know if there are any questions.

LA/kp

Attachment