

**LIVONIA PUBLIC SCHOOLS
BOARD OF EDUCATION**

**Committee of the Whole
October 11, 2021 - 6:30 PM
Board Room
15125 Farmington Road
Livonia, Michigan 48154**

AGENDA

- I. AUDIENCE COMMUNICATIONS**
- II. COMMITTEE OF THE WHOLE**
Burton, Chair; Acosta, Bonifield; Bradford; Centers; Jarvis; Johnson
 - A. District Updates**
A. Oquist
- III. FINANCE COMMITTEE**
Bonifield, Chair; Acosta; Jarvis
 - A. 2021 Financial Statements & Audit Update** 2
A. Smith
 - B. School Dairy Purchase** 33
P. Francis
- IV. CURRICULUM COMMITTEE**
Acosta, Chair; Bonifield; Bradford
 - A. CogAT Testing Materials** 40
T. O'Brien
- V. POLICY COMMITTEE**
Johnson, Chair; Bonifield; Jarvis
 - A. Board Policy JCAB - Searches of Individual Students,
Lockers, and Other Personal Property** 44
D. Willenborg
- VI. BUILDING & SITE COMMITTEE**
Centers, Chair; Bradford; Johnson
- VII. PERSONNEL COMMITTEE**
Bradford, Chair; Centers; Johnson
- VIII. LEGISLATIVE COMMITTEE**
Jarvis, Chair; Acosta; Centers



Livonia Public Schools

Finance Office

Date: October 5, 2021

To: Andrea Oquist, Superintendent

From: Alison Smith, Director of Finance

Re: 2021 Financial Statements & Audit Update

The external audit of the district's accounting records for the 2020-2021 school year is wrapping up and I anticipate having a draft copy of the financial statements available to review at the Board of Education Finance Committee meeting on Monday, October 11, 2021.

I will bring a hard copy of the financial statements to the meeting, go over some of the highlights and answer questions the Board may have. If the financial statements are available before the Committee meeting, I will email the Board a copy as soon as the statements are available. Representatives from the school district's auditing firm Plante Moran will be in attendance to discuss the financial statements in detail.

Please include this agenda item for the Monday, October 11, 2021 Board of Education Finance Committee meeting. As always, please contact me if you have any questions.

AS/kp

c: Board of Education

Livonia Public Schools

Draft Audit Meeting

October 11, 2021

Independent Auditor's Report

To the Board of Education
Livonia Public Schools

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Livonia Public Schools (the "School District") as of and for the year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise Livonia Public Schools' basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Livonia Public Schools as of June 30, 2021 and the respective changes in its financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Education
Livonia Public Schools

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of the School District's proportionate share of the net pension and OPEB liabilities and pension and OPEB contributions, and the major fund budgetary comparison schedules be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Livonia Public Schools' basic financial statements. The other supplemental information, as identified in the table of contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

The other supplemental information, as identified in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information, as identified in the table of contents, is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 15, 2021 on our consideration of Livonia Public Schools' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Livonia Public Schools' internal control over financial reporting and compliance.

October 15, 2021

June 30, 2021

	General Fund	Special Education Fund	2021 Bond Series I Fund	Nonmajor Funds	Total Governmental Funds
Assets					
Cash and cash equivalents (Note 4)	\$ 46,216,198	\$ -	\$ -	\$ 65,643	\$ 46,281,841
Receivables:					
Property taxes receivable	15,332	-	-	-	15,332
Other receivables	46,640	-	-	8,476	55,116
Due from other governments	24,375,969	-	-	31,573	24,407,542
Due from other funds (Note 7)	207,739	7,049,190	-	5,979,593	13,236,522
Inventory	143,438	-	-	39,830	183,268
Prepaid expenses and other assets	1,749,986	-	-	-	1,749,986
Restricted assets (Note 4)	-	-	77,997,355	9,535,548	87,532,903
Total assets	\$ 72,755,302	\$ 7,049,190	\$ 77,997,355	\$ 15,660,663	\$ 173,462,510
Liabilities					
Accounts payable	\$ 1,429,046	\$ 21,102	\$ 245,589	\$ 532,479	\$ 2,228,216
Due to other governmental units	3,923,734	3,011,367	-	1,802	6,936,903
Due to other funds (Note 7)	14,323,731	-	204,277	3,462	14,531,470
Accrued liabilities and other	16,165,830	1,218,367	-	21,244	17,405,441
Unearned revenue (Note 5)	3,813,671	-	-	-	3,813,671
Total liabilities	39,656,012	4,250,836	449,866	558,987	44,915,701
Fund Balances					
Nonspendable - Inventory and prepaid expense	1,893,424	-	-	39,830	1,933,254
Restricted:					
Debt service	-	-	-	3,794,623	3,794,623
Capital projects	-	-	77,547,489	6,132,811	83,680,300
Committed - Student activities	-	-	-	1,479,722	1,479,722
Assigned:					
Subsequent year's budget	6,739,430	-	-	-	6,739,430
Capital projects	-	-	-	3,654,690	3,654,690
Center programs	-	2,798,354	-	-	2,798,354
Unassigned	24,466,436	-	-	-	24,466,436
Total fund balances	33,099,290	2,798,354	77,547,489	15,101,676	128,546,809
Total liabilities and fund balances	\$ 72,755,302	\$ 7,049,190	\$ 77,997,355	\$ 15,660,663	\$ 173,462,510

Livonia Public Schools

Governmental Funds
Statement of Revenue, Expenditures, and Changes in Fund Balances

Year Ended June 30, 2021

	General Fund	Special Education Fund	2021 Bond Series I Fund	Nonmajor Funds	Total Governmental Funds
Revenue					
Local sources	\$ 28,540,177	\$ 155,534	\$ -	\$ 28,391,877	\$ 57,087,588
State sources	122,492,463	6,527,790	-	1,544,017	130,564,270
Federal sources	10,687,783	-	-	2,066,893	12,754,676
Interdistrict sources	9,704,353	10,820,928	-	-	20,525,281
Total revenue	171,424,776	17,504,252	-	32,002,787	220,931,815
Expenditures					
Current:					
Instruction	104,455,668	8,963,490	-	-	113,419,158
Support services	61,589,000	5,482,019	643,931	1,156,440	68,871,390
Athletics	2,125,630	-	-	-	2,125,630
Food services	-	-	-	2,982,623	2,982,623
Community services	2,710,746	-	-	-	2,710,746
Debt service:					
Principal	-	-	-	10,680,000	10,680,000
Interest	-	-	-	5,921,689	5,921,689
Other debt costs	-	-	-	5,692,234	5,692,234
Capital outlay	3,317,628	210,904	-	13,109,421	16,637,953
Total expenditures	174,198,672	14,656,413	643,931	39,542,407	229,041,423
Excess of Revenue (Under) Over Expenditures	(2,773,896)	2,847,839	(643,931)	(7,539,620)	(8,109,608)
Other Financing Sources (Uses)					
Face value of debt issued (Note 8)	-	-	65,925,000	90,770,000	156,695,000
Proceeds from sale of capital assets	-	-	-	2,742,751	2,742,751
Premium on debt issued	-	-	12,266,420	-	12,266,420
Payment to bond refunding escrow agent	-	-	-	(90,192,231)	(90,192,231)
Transfers in (Note 7)	2,145,000	-	-	22,999	2,167,999
Transfers out (Note 7)	(22,999)	(2,145,000)	-	-	(2,167,999)
Total other financing sources (uses)	2,122,001	(2,145,000)	78,191,420	3,343,519	81,511,940
Net Change in Fund Balances	(651,895)	702,839	77,547,489	(4,196,101)	73,402,332
Fund Balances - Beginning of year	33,751,185	2,095,515	-	19,297,777	55,144,477
Fund Balances - End of year	<u>\$ 33,099,290</u>	<u>\$ 2,798,354</u>	<u>\$ 77,547,489</u>	<u>\$ 15,101,676</u>	<u>\$ 128,546,809</u>

Required Supplemental Information
Budgetary Comparison Schedule
General Fund

Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	(Under) Over Final Budget
Revenue				
Local sources	\$ 29,555,269	\$ 28,511,841	\$ 28,411,973	\$ (99,868)
State sources	105,721,059	114,774,933	115,494,146	719,213
Federal sources	1,037,107	33,596	34,964	1,368
Interdistrict sources	10,906,976	9,536,397	9,704,353	167,956
Total revenue	147,220,411	152,856,767	153,645,436	788,669
Expenditures				
Current:				
Instruction:				
Basic programs	77,903,351	78,540,482	78,521,263	(19,219)
Added needs	18,771,246	16,081,395	15,558,996	(522,399)
Support services:				
Pupil	8,674,224	8,755,048	8,670,245	(84,803)
Instructional staff	6,966,076	7,246,801	7,245,500	(1,301)
General administration	873,396	835,066	835,064	(2)
School administration	9,897,964	10,088,346	10,059,866	(28,480)
Business	2,056,028	2,120,858	2,030,903	(89,955)
Operations and maintenance	16,221,320	16,376,030	16,319,766	(56,264)
Pupil transportation services	8,842,875	8,702,760	8,153,913	(548,847)
Central	3,794,937	4,940,290	4,498,252	(442,038)
Athletics	2,110,229	2,162,388	2,157,976	(4,412)
Community services	2,829,327	2,500,875	2,496,890	(3,985)
Total expenditures	158,940,973	158,350,339	156,548,634	(1,801,705)
Excess of Expenditures Over Revenue	(11,720,562)	(5,493,572)	(2,903,198)	2,590,374
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	2,562,000	-	-	-
Transfers in	2,290,229	2,317,444	2,274,302	(43,142)
Transfers out	(20,000)	(100,000)	(22,999)	77,001
Total other financing sources	4,832,229	2,217,444	2,251,303	33,859
Net Change in Fund Balance	(6,888,333)	(3,276,128)	(651,895)	2,624,233
Fund Balance - Beginning of year	33,751,185	33,751,185	33,751,185	-
Fund Balance - End of year	<u>\$ 26,862,852</u>	<u>\$ 30,475,057</u>	<u>\$ 33,099,290</u>	<u>\$ 2,624,233</u>

Livonia Public Schools

Required Supplemental Information
Budgetary Comparison Schedule
General Fund - Funded Projects

Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	(Under) Over Final Budget
Revenue				
Local sources	\$ 52,935	\$ 252,409	\$ 128,204	\$ (124,205)
State sources	2,108,348	8,403,889	6,998,317	(1,405,572)
Federal sources	6,640,870	13,460,361	10,652,819	(2,807,542)
Total revenue	8,802,153	22,116,659	17,779,340	(4,337,319)
Expenditures				
Current:				
Instruction	6,460,437	9,706,487	10,774,277	1,067,790
Support services	4,510,253	12,021,503	6,643,712	(5,377,791)
Community services	181,389	257,666	232,049	(25,617)
Total expenditures	11,152,079	21,985,656	17,650,038	(4,335,618)
Excess of Revenue Over (Under) Expenditures	(2,349,926)	131,003	129,302	(1,701)
Other Financing Sources (Uses)				
Transfers in	25,215	-	-	-
Transfers out	(177,104)	(131,003)	(129,302)	1,701
Total other financing uses	(151,889)	(131,003)	(129,302)	1,701
Net Change in Fund Balance	(2,501,815)	-	-	-
Fund Balance - Beginning of year	-	-	-	-
Fund Balance - End of year	\$ (2,501,815)	\$ -	\$ -	\$ -

June 30, 2021

	<u>Governmental Activities</u>
Assets	
Cash and investments (Note 4)	\$ 46,281,841
Receivables:	
Property taxes receivable	15,332
Other receivables	55,116
Due from other governments	24,407,542
Inventory	183,268
Prepaid expenses and other assets	1,847,344
Restricted assets - Cash and cash equivalents (Note 4)	87,532,903
Capital assets - Net (Note 6)	<u>263,232,056</u>
Total assets	423,555,402
Deferred Outflows of Resources	
Deferred charges on bond refunding (Note 8)	2,768,711
Deferred pension costs (Note 9)	79,440,761
Deferred OPEB costs (Note 9)	<u>27,352,971</u>
Total deferred outflows of resources	109,562,443
Liabilities	
Accounts payable	2,230,361
Due to other governmental units	6,936,903
Accrued liabilities and other	18,805,467
Unearned revenue (Note 5)	3,813,671
Noncurrent liabilities:	
Due within one year: (Note 8)	
Compensated absences	531,182
Current portion of bonds and contracts payable	15,696,255
Due in more than one year (Note 8)	255,332,080
Net pension liability (Note 9)	381,486,236
Net OPEB liability (Note 9)	<u>59,646,548</u>
Total liabilities	744,478,703
Deferred Inflows of Resources	
Deferred benefit on bond refunding (Note 8)	1,387,686
Revenue in support of pension contributions made subsequent to the measurement date (Note 9)	14,383,190
Deferred pension cost reductions (Note 9)	2,172,994
Deferred OPEB cost reductions (Note 9)	<u>45,118,755</u>
Total deferred inflows of resources	<u>63,062,625</u>
Net Position	
Net investment in capital assets	77,720,135
Restricted:	
Debt service	2,533,500
Capital projects	1,669,480
Student activities	1,479,086
Unrestricted	<u>(357,825,684)</u>
Total net position	<u>\$ (274,423,483)</u>

**Proprietary Funds
Statement of Net Position**

June 30, 2021

Internal Service
Fund - Health
and Welfare
Fund

Assets

Current assets:

Due from other funds (Note 7)

Prepaid expenses and other assets

\$ 1,292,803
97,358

Total current assets

1,390,161

Liabilities - Claims payable (Note 10)

138,903

Net Position - Unrestricted

\$ 1,251,258

Note 8 - Long-term Debt (Continued)

Advance Bond Refunding

During the year, the School District issued \$90,770,000 million in general obligation bonds with an interest rate ranging from 0.31 to 3.02 percent. The proceeds of these bonds were used to advance refund \$83,255,000 million of outstanding bonds with an interest rate ranging from 4 to 5 percent. The net proceeds of \$90,192,231 million (after payment of \$577,769 in underwriting fees, insurance, and other issuance costs) plus an additional \$5,111,401 million of Debt Service Fund monies were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the original bonds. As a result, the bonds are considered to be defeased, and the liability for the bonds has been removed from long-term debt. Principal payments from the escrowed funds of \$79,075,000 and \$4,180,000 are scheduled in fiscal years 2023 and 2025, respectively, on the defeased debt. The advance refunding reduced total debt service payments over the next 22 years by \$19,704,164, which represents an economic gain of \$14,866,736.

Schedule of Findings and Questioned Costs

Year Ended June 30, 2021

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X None reported

Noncompliance material to financial statements noted? _____ Yes X None reported

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X None reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)? _____ Yes X No

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
21.019	Coronavirus Relief Fund
84.425	Education Stabilization Fund

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? X Yes _____ No

Section II - Financial Statement Audit Findings

None

Section III - Federal Program Audit Findings

None

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2021

Federal Agency Name/Pass-through Agency/Federal Program Title	Grant/Project Number	Federal CFDA Number	Approved Grant Amount	(Memo Only) Prior Year Expenditures	Accrued Revenue at July 1, 2020	Federal Funds/Payments In-kind Received	Federal Expenditures	Accrued (Deferred) Revenue at June 30, 2021	Current Year Cash Transferred to Subrecipients
Clusters:									
Child Nutrition Cluster - U.S. Department of Agriculture:									
Noncash assistance (commodities) - National School Lunch Program - Entitlement commodities 2021	N/A	10.555	133,600	-	-	133,600	133,600	-	-
Cash assistance:									
COVID 19 Unanticipated School Closure SFSP 2019-2020	200902	10.555	864,352	864,352	224,611	224,611	-	-	-
National School Lunch Program 2020-2021	211960	10.555	394,391	-	-	394,391	394,391	-	-
Total National School Lunch Program (incl. commodities)		10.555	1,392,343	864,352	224,611	752,602	527,991	-	-
COVID 19 Unanticipated School Closure SFSP 2020-2021	210904	10.559	1,399,067	-	-	1,399,067	1,399,067	-	-
National School Breakfast Program 2020-2021	211970	10.553	139,835	-	-	139,835	139,835	-	-
Total Child Nutrition Cluster			2,931,245	864,352	224,611	2,291,504	2,066,893	-	-
Special Education Cluster - U.S. Department of Education - Passed through Wayne County RESA:									
IDEA, Part B:									
IDEA Flowthrough - Regular 2021	210450	84.027A	3,327,613	-	-	3,327,613	3,327,613	-	-
IDEA Flowthrough CPE - Regular 2021	210450	84.027A	582,636	-	-	582,636	582,636	-	-
IDEA Preschool 2021	210460	84.173A	226,721	-	-	226,721	226,721	-	-
Total Special Education Cluster			4,136,970	-	-	4,136,970	4,136,970	-	-
Medicaid Cluster - U.S. Department of Health and Human Services - Passed through Wayne County RESA - Medicaid Outreach 2021									
		93.778	31,369	-	-	31,369	31,369	-	-
Total of cluster programs			7,099,584	864,352	224,611	6,459,843	6,235,232	-	-

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2021

Federal Agency Name/Pass-through Agency/Federal Program Title	Grant/Project Number	Federal CFDA Number	Approved Grant Amount	(Memo Only) Prior Year Expenditures	Accrued Revenue at July 1, 2020	Federal Funds/Payments In-kind Received	Federal Expenditures	Accrued (Deferred) Revenue at June 30, 2021	Current Year Cash Transferred to Subrecipients
Other federal programs:									
U.S. Department of Education - Passed through Michigan									
Department of Education:									
Title I, Part A:									
Title I, Part A 1920	201530	84.010	1,264,522	1,248,958	220,939	220,939	-	-	-
Title I, Part A 2021	211530	84.010	<u>1,283,346</u>	<u>-</u>	<u>-</u>	<u>995,204</u>	<u>1,133,242</u>	<u>138,038</u>	<u>-</u>
Total Title I, Part A		84.010	2,547,868	1,248,958	220,939	1,216,143	1,133,242	138,038	-
Title II, Part A:									
Title II, Part A Supporting Effective Instruction 1920	200520	84.367	558,676	383,041	90,893	90,893	-	-	-
Title II, Part A Supporting Effective Instruction 2021	210520	84.367	661,687	-	-	285,951	384,501	98,550	-
Title II, Part A Teacher and Leader Instruction Support 1920	190532	84.367	<u>81,587</u>	<u>38,729</u>	<u>3,833</u>	<u>3,833</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Title II, Part A		84.367	1,301,950	421,770	94,726	380,677	384,501	98,550	-
Title III, English Language Acquisition State Grants:									
Title III, Immigrant Students 2019-2020	200570	84.365A	22,912	1,562	1,562	1,562	-	-	-
Title III, Immigrant Students 2020-2021	210570	84.365A	43,763	-	-	17,488	33,014	15,526	-
Title III, Limited English Proficient Students 2019-2020	200580	84.365A	68,578	65,167	11,109	11,109	-	-	-
Title III, Limited English Proficient Students 2020-2021	210580	84.365A	<u>71,722</u>	<u>-</u>	<u>-</u>	<u>58,505</u>	<u>67,277</u>	<u>8,772</u>	<u>-</u>
Total Title III, English Language Acquisition State Grants		84.365A	206,975	66,729	12,671	88,664	100,291	24,298	-
Title IV, Part A SSAE -									
Title IV, Part A Student Support and Academic Enrichment 2019-2020	200750	84.424A	90,218	80,310	10,042	10,042	-	-	-
Title IV, Part A Student Support and Academic Enrichment 2020-2021	210750	84.424A	<u>99,448</u>	<u>-</u>	<u>-</u>	<u>76,558</u>	<u>87,317</u>	<u>10,759</u>	<u>-</u>
Total Title IV, Part A SSAE			189,666	80,310	10,042	86,600	87,317	10,759	-
Adult Education - Basic Grants to States:									
Federal General Instruction 2019-2020	201130	84.002A	197,780	91,084	44,401	44,401	-	-	-
Federal General Instruction 2020-2021	211130	84.002A	<u>175,000</u>	<u>-</u>	<u>-</u>	<u>89,777</u>	<u>105,490</u>	<u>15,713</u>	<u>-</u>
Total Adult Education - Basic Grants to States		84.002A	372,780	91,084	44,401	134,178	105,490	15,713	-

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2021

Federal Agency Name/Pass-through Agency/Federal Program Title	Grant/Project Number	Federal CFDA Number	Approved Grant Amount	(Memo Only) Prior Year Expenditures	Accrued Revenue at July 1, 2020	Federal Funds/Payments In-kind Received	Federal Expenditures	Accrued (Deferred) Revenue at June 30, 2021	Current Year Cash Transferred to Subrecipients
Other federal programs (continued):									
Education Stabilization Fund- U.S. Department of Education									
Passed through Michigan Department of Education									
COVID-19 ESSER Education Equity Fund I - 19-20	203720	84.425D	161,821	-	-	155,646	161,763	6,117	-
COVID-19 ESSER Formula Fund I - 19-20	203710	84.425D	1,011,387	-	-	1,010,666	1,011,387	721	-
Total ESSER			1,173,208	-	-	1,166,312	1,173,150	6,838	-
Corona Virus Relief Fund- U.S Department of Treasury									
Passed through Michigan Department of Education									
COVID-19 103(2) - District COVID Costs	20-21	21.019	174,003	-	-	174,003	174,003	-	-
COVID-19 11p-CRF School Aid	20-21	21.019	4,943,302	-	-	4,943,302	2,659,951	(2,283,351)	-
Total CRF passed through Michigan Department of Education			5,117,305	-	-	5,117,305	2,833,954	(2,283,351)	-
Passed through Copper County ISD									
COVID-19-CRF MiConnect/MAISA	20-21	21.019	338,437	-	-	338,437	338,437	-	-
Total Coronavirus Relief Fund			5,455,742	-	-	5,455,742	3,172,391	(2,283,351)	-
U.S. Department of Education - Passed through Wayne County RESA - Carl D. Perkins Career and Technical Education Program:									
Carl D. Perkins Grant 2019-2020	203520	84.048A	284,547	256,108	42,965	70,412	27,447	-	-
Carl D. Perkins Grant 2020-2021	213520	84.048A	274,713	-	-	242,202	274,713	32,511	-
Total Perkins Career and Technical Education Program		84.048A	559,260	256,108	42,965	312,614	302,160	32,511	-
U.S. Department of Agriculture - Passed through Michigan Department of Education - Child and Adult Care Food Program:									
CACFP Meals 2019-2020	201920	10.558	4,379	4,379	9	9	-	-	-
CACFP Meals 2020-2021	211920	10.558	3,595	-	-	3,229	3,595	366	-
Total Child and Adult Care Food Program		10.558	7,974	4,379	9	3,238	3,595	366	-
Total of noncluster programs			11,815,423	2,169,338	425,753	8,844,168	6,462,137	(1,956,278)	-
Total federal awards			\$ 18,915,007	\$ 3,033,690	\$ 650,364	\$ 15,304,011	\$ 12,697,369	\$ (1,956,278)	\$ -

We have audited the financial statements of Livonia Public Schools (the "School District") as of and for the year ended June 30, 2021 and have issued our report thereon dated October 15, 2021. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility Under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated May 11, 2021, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities. Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement.

As part of our audit, we considered the internal control of the School District. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Our audit of the School District's financial statements has also been conducted in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States. Under *Government Auditing Standards*, we are obligated to communicate certain matters that come to our attention related to our audit to those responsible for the governance of the School District, including compliance with certain provisions of laws, regulations, contracts, and grant agreements; certain instances of error or fraud; illegal acts applicable to government agencies; and significant deficiencies in internal control that we identify during our audit. Toward this end, we issued a separate letter dated October 15, 2021 regarding our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters on August 31, 2021.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the School District are described in Note 2 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during 2021.

We noted no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the financial statements were the School District's share of the MPSERS net liabilities for the pension and other postemployment benefit (OPEB) plans recorded on the government-wide statements related to GASB Statement Nos. 68 and 75, respectively. The School District's estimates as of June 30, 2021 were \$381.5 million and \$59.6 million for the pension and OPEB plans, respectively, based on data received from the Office of Retirement Services. We evaluated the key factors and assumptions used to develop the accounting estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Disagreements with Management

For the purpose of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report.

We are pleased to report that no such disagreements arose during the course of our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We did not detect any misstatements as a result of audit procedures.

Significant Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting the School District, and business plans and strategies that may affect the risks of material misstatement, with management each year prior to our retention as the School District's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition of our retention.

As required by 2 CFR Part 200, we have also completed an audit of the federal programs administered by the School District. The results of that audit are provided to the board in our report on compliance with requirements applicable to each major program and on internal control over compliance in accordance with 2 CFR Part 200 dated October 15, 2021.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 15, 2021.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a second opinion on certain situations. If a consultation involves application of an accounting principle to the School District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts.

To our knowledge, there were no such consultations with other accountants.

Other Information in Documents Containing Audited Financial Statements

Our responsibility for other information in documents containing the School District's financial statements and report does not extend beyond the financial statements. We do not have an obligation to determine whether or not such other information is properly stated. However, we read the management's discussion and analysis, and nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information or manner of its presentation appearing in the financial statements.

This information is intended solely for the use of the Board of Education and management of the School District and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Plante & Moran, PLLC

Lisa M. Vargo, CPA

Informational Items

A Year Like No Other

The past year has been challenging for everyone, particularly those who have continued to keep our schools running throughout this pandemic. While some businesses and employees were able to seamlessly transition to the work-from-home environment, educators and administrators faced a number of hurdles. The School District has faced a continuously changing environment during the pandemic. New federal grants and targeted state funding have placed new accounting and compliance requirements on the School District. Planning will become increasingly important to put the School District in the best position to take advantage of the substantial new, nonrecurring resources provided.

We have worked closely with state and federal decision-makers throughout the pandemic. As the School District's strategic partner, our goal has been to advocate for school districts by meeting with these decision-makers before actions are finalized so that these groups can be well-informed of the implications their actions will have on the School District, your business office, and your financial statements. New or revised accounting and compliance guidance continues to be released from numerous agencies, and school districts are left with the task of deciphering this information to ensure adherence to these new requirements. To that end, as guidance is updated and opportunities are identified, we will continue to work with the School District in navigating the complexities and make sure that your team is always aware of the most current information that impacts the School District. We want to recognize the hard work that everyone at the School District has put in over the past year. We appreciate all that you have done for the students in your communities, and we want to thank you for the opportunity to work side by side with your team during these difficult times.

State Aid Funding

Background

From 18 Months of Financial Uncertainty to Projected Stability: Since the winter of 2020, the factors surrounding school funding have been uncertain, difficult to predict, and even more difficult to manage.

- **Pre-pandemic:** Prior to the onset of the pandemic, the State's financial resources were stable, predictable, and suggested a predictable, improving financial picture for Michigan schools.
- **Financial Concerns during the Onset of the Pandemic:** During the spring of 2020, predictions were made that there would be significant negative impacts to the State's School Aid Fund and the potential for substantial proration of state aid for school districts due to the grinding halt that the pandemic placed on Michigan's economy. The specific impact was difficult to predict, resulting in two Revenue Estimating Conferences: the normally scheduled one in May 2020 and an additional conference in August 2020. The May conference suggested substantial proration would need to occur (estimated at \$685 per pupil), and many districts adopted a final budget amendment in 2020 to reflect this estimate. By August 2020, the economic impacts of the pandemic were slightly clearer, and the result was a proration of \$175 per pupil for the 2019-2020 fiscal year. While significant, it was much less than what was predicted in May 2020.

- **Federal Resources:** Beginning in March 2020, the federal government initiated financial assistance that directly impacted school districts, with the funding being provided in several waves throughout 2020 and 2021. As is the case with most federal resources, unique spending requirements were attached; however, the guidance and stipulations continued to evolve and change. This resulted in significant uncertainty throughout the year in terms of how and when to expend the available funds. Ultimately, the COVID-19 relief funds did provide more flexibility in spending than traditional federal grants.
- **2020/2021 State Funding:** With a more predictable revenue stream into the School Aid Fund, sustainable school funding was put in place. The foundation allowance was held at the 2019-2020 level, no prorations were required, and a \$65 one-time per pupil payment was provided to school districts. The State also provided additional funding to those districts that did not receive a minimum threshold of per pupil funding from the new Educational Stabilization Fund federal program.

2021/2022 State Funding: Stability within the School Aid Fund continues to improve, and the fund was predicted to have a surplus for the fiscal year ended 2021 and would have sustainable revenue looking out the next few years. This provided the governor and Legislature an opportunity to increase the State's investments in public education. The most significant outcome from their efforts was improved equity in the foundation allowance funding. All schools will be at the target foundation allowance of \$8,700 per pupil. This means the equity gap between the base foundation and the target foundation has finally been eliminated. In addition, all schools, including hold harmless districts, will receive at least a \$171 per pupil increase. In addition, funding progress was made related to recommendations resulting from the School Finance Research Collaborative, which includes increased funding levels for special education; At-Risk; wraparound services, such as nurses and counselors; and Great Start School Readiness (GSRP).

- **Looking Forward:** The most recent Revenue Estimating Conference estimates that the School Aid Fund will remain healthy when projecting out the financial picture over the next few years. Based on the current facts and circumstances, it is expected there will be room for continued foundation allowance funding increases over time, in addition to the ability to invest in specific programming or educational support. However, the key funding lesson from the last 18 months is that predictions are a best estimate based on the current fact and circumstances, and those estimates can be significantly impacted by subsequent events.

2021 Funding Implications for the School District

2020-2021 Foundation: Due to pandemic-related funding concerns, foundation allowance levels were maintained at 2019-2020 levels. The target foundation allowance (formerly known as the basic foundation allowance) was \$8,529. The minimum foundation allowance remained at \$8,111; however, the School District did receive a one-time per pupil payment of \$65. This was not added to the foundation allowance formula and was not retained for 2021-2022.

A Unique 2020-2021 Pupil Count: In order to smooth the impacts of reduced pupil counts during the remote learning period, a temporary one-year change was made to the pupil count method used for the purpose of the foundation allowance formula. For 2020-2021, a super blend was used, combining the pupil counts from the 2019-2020 school year and the 2020-2021 school year. The 2019-2020 count was weighted at 75 percent, and the 2020-2021 count was weighted at 25 percent. This blended pupil count was multiplied by the foundation allowance per pupil to determine the School District's total foundation allowance funding for the year.

MPSERS Cost Support: Amounts contributed by the School District to the retirement system are computed as a percentage of payroll. The required contribution rate applicable for all school districts continues to increase. The estimated contribution rate for 2020-2021 ranged from 35.47 to 42.72 percent, with the rate, net of state funding support, paid directly by the employer, ranging from 20.96 to 28.21 percent. The State's funding support is provided in three separate sections of the State Aid Act: Sections 147a, 147c, and 147e. The School District received a total of \$1,321,100 in 147a1, \$2,307,795 in 147a2, \$14,383,190 in 147c1, and \$305,027 of 147e. In general terms, this means the total cost of the retirement system contributions in 2020-2021, representing approximately 42 percent of covered payroll, is recognized as an expenditure in the School District's financial statements, along with related revenue that was previously considered state support to the system. The net effect is that the School District is responsible for approximately a 28 percent contribution to the retirement system.

Coronavirus Relief Fund (CRF): At the close of the 2019-2020 school year, there was significant confusion regarding availability and use of CRF. In the summer of 2020, approximately \$362 per pupil was provided to school districts from the Michigan Department of Education through the summer state aid payments. The total available for the School District was \$5,117,305. Even though these funds were received with the final state aid payments for the 2019-2020 school year, since the funding was not approved until July 2020, the funds were not recognized as revenue until fiscal year 2021. Similar to other federal grants, there were requirements for how the funds can be used, and the School District would determine usage by applying the guidelines. For the year ended June 30, 2021, the School District recognized \$2,833,954 as revenue and as expenditure, with the remainder available for spending by December 31, 2021.

Pandemic-related Federal Funding: Since March 2020, several iterations of federal funding impacting school districts have occurred. Two key funding sources include the Education Stabilization Fund (ESF) and the Coronavirus Relief Fund (CRF). Each fund provides resources under multiple programs. The principal programs under ESF are the Elementary and Secondary School Emergency Relief (ESSER) Fund and the Governor's Education Emergency Relief (GEER) Fund. CRF programs include the \$362 per pupil passed through by the MDE in addition to some school districts receiving certain funding made available from other nonfederal entities. The common elements to all these revenue sources are that the funds are designed to assist with pandemic relief and the School District must have a specific plan for use of the funds. In general, reimbursement claims could reach back to costs incurred as early as March 2020. Program end dates vary depending on when funds were provided and will require school districts to carefully plan for their use.

ESSER: School districts are being awarded ESSER grants in three different waves: ESSER I, ESSER II (further divided between phase 1 and 2), and ESSER III. School districts awarded ESSER I funds were able to recognize the revenue during fiscal year 2021 to the extent allowable expenditures were incurred to claim for reimbursement in alignment with the federal requirements. Due to the timing of when award letters were issued to school districts for phase 1 of ESSER II, school districts were eligible to recognize this revenue during fiscal year 2021 to the extent that a grant award letter was received by June 30, 2021. Many school districts did not receive their grant award letter by June 30, 2021, and, therefore, the revenue from phase 1 of ESSER II can be recognized no earlier than fiscal year 2022. Phase 2 of ESSER II and ESSER III awards will be made available during fiscal year 2022.

The allocation of ESSER funds is based on the Title I allocation model. The allocation model uses economically disadvantaged demographics to determine the level of funding to be provided to each school district. As a result, some school districts were provided substantial funding from ESSER, while others received substantially less. The Legislature and the governor concluded districts should receive a minimum amount per pupil, and if ESSER did not provide at least that amount per pupil, then funding from the State should provide an equalization payment to bring a district up to the minimum amount. These state funds would follow similar usage requirements as ESSER Fund. The floor amount of funding was \$450 per pupil related to ESSER II. Based on the School District's level of ESSER II funding, the School District qualified for an equalization payment of \$1,955,242, which was received by the School District over the May through August 2021 state aid payments. School districts had the option of recognizing the equalization payment as revenue during fiscal year 2021, but only to the extent that allowable expenditures were being allocated to this restricted state funding source or deferring the revenue and recognizing it during fiscal year 2022. The School District recognized a portion of the equalization payment as revenue in fiscal year 2021.

2022 Funding Implications for the School District

The May 2021 Revenue Estimating Conference provided an optimistic view of the School Aid Fund's financial picture for 2022, 2023, and 2024. The School Aid Fund is predicted to complete the State's 2021 fiscal year with a fund balance and is expected to continue to generate funding growth from nonfederal sources for the next few years. As a result, amendments to the State Aid Act for the 2022 fiscal year included several additions to the school funding picture. These included:

- **2021-2022 Foundation Allowance:** With the goal of improving equity among school districts, all districts receive at least a minimum level of funding, which was established as the target foundation allowance. Any school district that was not at the target level in 2021 was increased to the new target foundation of \$8,700 per pupil. For districts already at the target, they received a \$171 per pupil increase from the former target level of \$8,529. For the few school districts in the state above the target, those school districts also received the \$171 per pupil increase. Based on these changes, the School District's foundation allowance per pupil is going to be \$8,700, representing an increase of \$171 from the 2021 funding level.
- **ESSER:** As previously noted, the School District will receive certain ESSER awards during fiscal year 2022. Similar to the ESSER II floor of \$450 per student, the State also set a funding floor of \$1,093 per student for ESSER III. These funds follow the same restrictions on allowable use as compared to the ESSER III federal funds. The expectation was that this state-funded equalization payment would be received during fiscal year 2022; however, in recent announcements, it has become known that the federal government is now questioning the legality of this payment, putting this anticipated funding source into question.
- **Pupil Membership Blend for 2021-2022:** Pupil count determinations return to the pre-fiscal year 2021 super blend method for 2021-2022. As it is expected students will be returning to the classroom, it was concluded there was little need for a super blend that was in effect during 2020-2021. As defined in the School Aid Act, the district is required to complete its calendar year spring and fall counts for 2021. The weighting of those counts continues to be at 90 percent of the fall count and 10 percent of the spring count. The computed pupil count will be used to determine the total foundation allowance paid to the School District. Since schools will be transitioning to in-class instruction in the fall, it may be difficult to predict what enrollments might be. Clearly the level of student attendance will have a significant impact on total revenue generated from the foundation allowance.

- **Summer School and Learning Assistance:** As part of the process to return to in-person learning in the fall of 2021, significant emphasis was placed on summer school. As a result, significant resources were made available to school districts for the summer of 2021 to assist in this effort. Resources included federal funding for summer programming, credit recovery, and before- and after-school programming as part of the Elementary and Secondary School Emergency Relief II Fund. In addition, state aid funding was appropriated for innovative summer programming or credit recovery programs. School districts were required to establish a plan to use these funds for supplemental programming.
- **MPSERS Cost for 2021-2022:** The basic structure, including cost support provided by the School Aid Fund, will continue. For 2022, the overall contribution rate is expected to increase to 43 percent from 42 percent, with the net cost to the School District approximating 28 percent. While the net cost to the School District changes marginally, the overall contribution rate increases significantly from 2021. The School Aid Fund implication is that more resources are redirected from the funding of operations to the support of the retirement system funding requirement. As School Aid Fund's health has improved, there is renewed interest within the Legislature to provide additional resources to reduce the net cost of school district contributions to the retirement system.

Looking Forward to 2023 and Beyond

The May 2021 Revenue Estimating Conference provided a look into 2023 and 2024. 2021 has a projected surplus to carry over to 2022, and surpluses are expected for 2023 and 2024. These surpluses are uncharted territory for school funding in Michigan. In the short term, two supplemental funding measures were put in place. Most of the funds provided were related to appropriating federal funds provided to the State for the benefit of school districts. Other elements of the funding measures leveraged state resources, with the principal element being the ESSER equalization payments tied to ESSER II and ESSER III funding. As we have learned from the past, the Revenue Estimating Conferences provide projections based on the best facts in hand. Experience has told us that those facts can change with the potential for both a positive or negative impact on the projections. Factors to monitor as we look into the future include the following:

- The extent of a continuing economic “bounce back” currently experienced by the State
- The impact as federal stimulus provided tails off during the next two years and the extent of state funding to assist in replacing those resources for recurring services
- The success of returning to in-class instruction
- Extent and duration of resources needed to address learning loss resulting from the pandemic
- Short-term and longer-term student enrollment changes resulting from the pandemic
- Personnel shortages and the impact on providing learning related services
- Potential staffing cost increases
- Cost trends for the retirement system and the extent to which state support is used from the School Aid Fund

The next Revenue Estimating Conference will occur in January 2022. School districts will need to carefully monitor those results and compare projections to the May 2021 conference results. That information will allow school districts to better project the longer-term implications for school funding.

New Federal Funding Considerations - 2021 and 2022

As a result of the pandemic, school districts began to experience a significant flow of new federal grant funding, essentially coming in three waves. The initial wave occurred shortly after the start of the pandemic in 2020, with resources becoming available in late spring 2020. The second wave began in late 2020 and into 2021. The third wave began in August 2021 when the grant application window opened for the most recent round of grant funding. As is the case with most federal funding, these federal grants have compliance strings attached and require additional time and attention by school districts to evaluate and ensure proper use. In addition, for many school districts, the amount of funding available is substantial, creating a unique challenge regarding how best to use the funds, in accordance with the rules, to impact public education. The key awards impacting public education include:

- *Elementary and Secondary School Emergency Relief Fund* - ESSER has four release periods. ESSER I was made available in the spring of 2020. However, guidance was limited, and few school districts elected to spend ESSER I funding until the start of the 2020-2021 school year. Due to political issues within the state government, ESSER II was released in two phases. The first phase was awarded to districts in the summer of 2021, and the second phase will follow in fiscal year 2022. ESSER III, which is about four times the size of the total ESSER II funding, will be made available beginning in August 2021. Several compliance requirements are applicable for all the ESSER awards, and ESSER III is more narrowly targeted at addressing learning loss in students. Planning how best to use each set of the funds awarded will be important for each school district.
- *Coronavirus Relief Fund* - The CRF funds are designed to help school districts cover the supplemental costs related to their response to COVID-19 and were provided to districts in July and August 2020. In addition, Michigan CRF funds were provided support to eligible child care providers, including those operated by school districts. Three broad requirements pertained to payments from the Coronavirus Relief Fund; the funds may be used only to cover expenses that:
 1. Are necessary expenditures incurred due to the public health emergency with respect to the coronavirus disease pandemic
 2. Were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government
 3. Were incurred during the period from March 1, 2020 through December 30, 2021

Clarifying guidance provided flexibility: “as an administrative convenience, the U.S. Department of the Treasury will presume expenses of up to \$500 per elementary and secondary school student to be eligible expenditures, such that schools do not need to document the specific use of funds up to that amount.” While the treasury guidance provides flexibility relative to the tracking of costs that can be applied to CRF funds, there remains a presumption that use of the funds complies with the allowability parameters outlined above. One area of confusion that impacted many school districts was related to funding received related to child care. These payments labeled the School District as a “beneficiary”, a term not typically used in grants management. Ultimately, it was concluded that funds received with this label are not considered federal awards, simplifying compliance requirements for the School District related to these funds.

- *Governor's Education Emergency Relief Fund* - GEER funds were awarded in two waves, GEER I in the fall of 2020 and GEER II in the spring of 2021. These funds were awarded to school districts that are determined to be most significantly impacted by COVID-19. This covered high-need student groups, including those that are economically disadvantaged, special education students, and English language learners. GEER funds are used to support connectivity and out-of-school learning time; address learning loss and student mental health; provide for remote learning materials and professional development; provide a portion summer school compensation to address learning loss; and provide for other health, safety, and wellness needs identified, required, or recommended in the MI Safe Schools Return to School Roadmap.

In addition to the CARES Act funding described above, the School District may have also received or may be eligible to apply for the following grants designed to assist with responding to impacts of the pandemic:

- Child Care and Development Block Grant - CARES Act Supplemental Payments
- Head Start - CARES Act Supplemental Payments
- Federal Emergency Management Agency (FEMA) Grants
- Coronavirus Food Assistance Program (CFAP) Commodities
- Personal Protective Equipment (PPE) funded with federal grants received from outside organizations
- Federal assistance from the intermediate school district, a municipality or county, or other organizations

In order to optimize available funding, address learning and operational needs, plan for the longer term, and ensure compliance with federal rules and regulations, the School District should do the following:

- Obtain a clear understanding of program requirements, including allowable uses and the time period in which eligible expenses must be incurred, some of which are modified once the American Rescue Plan funding (generally ESSER III) becomes available.
- Update and maintain procedures and internal controls to adhere to Uniform Guidance rules related to procurement, cash management, allowable costs, subrecipient monitoring, and reporting, as applicable.
- Incorporate MDE guidance regarding accounting for state and federal pandemic related funding activity.
- Document all decisions made to determine allowability of pandemic-related costs.
- Refer regularly to accounting guidance, which is updated frequently and issued by the Michigan Department of Education to ensure that federal grant revenue is recorded correctly and expenditures are tracked using the proper grant codes.

Budgeting Considerations

The pandemic will have a substantive impact on district budgeting considerations for years to come. This includes both state and federal funding sources.

As we have seen, funding from the School Aid Fund has varied widely over the last 18 months. Fortunately, School Aid Fund projections suggest funding stability through 2024. However, that stability presumes a continually improving financial picture for the State of Michigan. If assumptions do not hold, there is a risk for continued variability in school funding. Any variability would have a direct impact on funds made available for school operations.

Federal funds have been made available in waves since March 2020. As of June 30, 2021, pandemic-related funding has been substantial, but school districts have yet to access all the funds being made available. Primarily, these funds are provided as grants with program end dates laddered through 2024. The terms and conditions of the different grant funding streams are unique. This means schools must plan carefully for the use of funds to both optimize the value received and ensure compliance with the grant requirements. Also, these resources are not recurring, so school districts should carefully consider their use. If funds are used for recurring activities, the School District will need to redirect other revenue once the grant is complete to continue the activity or discontinue the program. Understanding the full value of the resources received through 2024 will have a dramatic impact on the School District's strategic planning efforts and related budget projections.

Another key variable impacting district budgets is enrollment. Since foundation allowance payments are computed using a per pupil allocation, the pupil count will drive the total funding provided for school operations. As schools begin to return to in-class instruction, tracking enrollment will be an important step in estimating total state aid revenue. Clearly, the hope and expectation are that students will return to the School District. Tracking attendance and comparing it to expectations will be essential in determining whether budget adjustments may be necessary if total enrollment is not consistent with expectations.

Budget management in 2021-2022 and beyond includes many new challenges, many not seen previously within school finance. In summary, some key budget focus items school districts should be building into the budget management process include the following:

- Understanding the specifics of pandemic-related federal aid and strategically planning for their use
- Understanding the specifics of pandemic-related state aid provided and strategically planning for their use
- Crafting a multiyear revenue forecast for recurring school operating revenue, including foundation allowance and recurring categorical aid funding
- Projecting and carefully monitoring pupil counts and adjusting budget projections for significant variations
- Assessing payroll-related costs in two categories: recurring payroll costs based on contractual agreements and variable payroll costs resourced with pandemic-related resources
- Identifying and budgeting for one-time uses of federal and state pandemic-related assistance

In summary, plan for 2021-2022 and beyond but understand there are still many moving parts. Continue to be flexible, and plan to adapt to a potentially changing financial and operational landscape.

Michigan Public School Employees' Retirement System (MPSERS) - Update on the Plans' Net Pension/OPEB Liabilities

Similar to the State of Michigan, the MPSERS plan has a September 30 year end. With the adoption of GASB Statement Nos. 68 and 75 several years ago, districts have been reporting their share of the MPSERS plan funded status in the government-wide financial statements of the district.

At September 30, 2020, the pension portion of the MPSERS plan had a net pension liability of approximately \$35 billion. This is an increase from the reported amount of \$33.8 billion at September 30, 2019, an increase of approximately 3.5 percent. This increase meant that, for the year ended June 30, 2021, districts reported a higher net pension liability than they had in the previous year, despite the fact that districts continued to make their required contributions to the plan during fiscal year 2021. One of the primary reasons for the increase in the liability was due to a less than favorable actuarial experience compared to the actuarial assumptions.

At September 30, 2020, the retiree health care portion (OPEB) of the MPSERS plan had a net OPEB liability of approximately \$5.4 billion. This is a decrease from the reported amount of \$7.3 billion at September 30, 2019, a decrease of approximately 26 percent. The valuation of the OPEB liability included a reduction of the health care cost trend rate from 7.5 percent to 7.0 percent and the plan also experienced a favorable plan experience adjustment related to lower than projected health benefit costs, which had a positive impact by reducing the total liability.

Fund Balance

This past school year, more than ever, highlighted the importance of having adequate fund balance due to the uncertainty of the state budget and the impact on the foundation allowance. While fund balance for many School Districts ultimately increased during the 2020-2021 school year due to COVID-19 relief funding, that uncertainty a year ago led many districts to initially budget for a significant decline in fund balance. The School District benefited from having sufficient fund balance because it allowed the School District to continue to provide an adequate level of programming for the year. It also provided peace of mind by avoiding the need for sudden or drastic reactions to the adverse circumstances.

The 2021-2022 school year will face many challenges that will have a direct effect on the School District's fund balance. The Consumer Price Index (CPI) continues to grow, which will put inflationary pressures on nearly all school districts. Couple that with the budgeting pressures faced with how to spend the COVID-19 relief funds, and business offices will have a lot to consider and plan for when projecting out fund balance for the upcoming school year.

During the 2020-2021 school year, the School District's General Fund expenditures exceeded revenue by approximately \$652,000. This resulted in reducing the General Fund fund balance to approximately \$33,099,000 at June 30, 2021. Fund balance goals are often stated in terms of a percentage of total expenditures. As a point of reference, the statewide average for school districts at June 30, 2020 was approximately 15.90 percent of expenditures. Fund balance at the statewide average would approximately equal the School District's average operating costs for an 8-week period. The School District's fund balance percentage is 19 percent and equals approximately 10 weeks of operation.

Significant Changes in the Future to the GASB Financial Reporting Model

Under the current Governmental Accounting Standards Board (GASB) standards, school districts have been reporting using the current framework for approximately two decades. While the current financial statement presentation has worked, the GASB is looking to improve its effectiveness for all governments.

This project kicked off in August 2013. An exposure draft was issued in June 2020 titled "Financial Reporting Model Improvements." The exposure draft comment period ended during February 2021, and, as a firm, Plante & Moran, PLLC provided comments to the GASB on our thoughts of the proposed standards. The GASB's goal is to have final standards issued by June 2022.

Once adopted by the GASB, these new standards will have a significant impact on the accounting and financial reporting for school districts. Currently, school districts account for activity in the funds using the modified accrual basis of accounting. The exposure drafts argue that, under the current model, there is no sufficient framework that ensures that governmental entities are consistently reporting similar types of transactions in their financial statements. They also argue that the time period looked at for certain transactions in fund accounting is too short and that the current method has too many piecemeal guidance points rather than a conceptual framework against which transactions can be applied in order to determine the correct accounting. Some of the proposed changes in the exposure drafts (which are significantly different compared to the current model) include the following:

- Requiring additional information in the management's discussion and analysis (MD&A)

- In the budget-to-actual statements, requiring a column that would show the variances between the original and amended budget
- In the fund-based statements:
 - Significant terminology changes - “Revenue” would be referred to as “inflows of resources” and “expenditures” as “outflows of resources.” In addition, many of the statements will be renamed, and some of the fund-type definitions will be changed.
 - “Modified accrual” accounting would change to “short-term financial resources measurement focus.” Generally, transactions would be accounted for in the governmental funds if they are expected to be converted to cash or paid in cash within 12 months of the school district’s year end. A typical example would be revenue recognition. Under today’s rules, if a receivable is not collected within 60 days of the school district’s year end, then the related revenue, generally, must be deferred until the following year. Under the proposed changes, the revenue can be recognized in the current period as long as it will be collected within one year of the current period end. In this example, revenue in the funds may be recognized sooner in the proposed new model as compared to the current model. This change will impact the timing of when revenue and expenditures are recorded in the governmental funds; in addition, the actual financial statements themselves will actually look quite different from a presentation perspective. This is a significant change.

The exposure draft allows for a phased adoption. Districts with total annual revenue (across all funds) over \$75 million would adopt in the year ending June 30, 2025. Those under \$75 million would adopt in the year ending June 30, 2026. We will continue to monitor progression very closely. When the new standards ultimately get issued, we will work with your business office to ensure smooth and efficient adoption.

A separate but somewhat related project is also ongoing. In June 2020, the GASB released its preliminary views titled “Revenue and Expense Recognition.” The objective of this project is to develop a comprehensive, principles-based model that would establish categorization, recognition, and measurement guidance applicable to a wide range of revenue and expense transactions. When the new standard is issued and adopted, it could result in revenue and expense transactions being reported either earlier or later than they currently are in school district financial statements. The GASB’s current work plan anticipates that this new standard could be issued during 2025.

GASB Implementation Guide Update 2021-1

The GASB recently issued an implementation guide that clarifies certain points in the accounting standards. The guide includes an update to existing guidance from a past implementation guide related to accounting for fixed assets and clarifies that items which are individually below a school district’s capitalization threshold but for which when purchased in a group the aggregate purchase price exceeds the capitalization threshold, then the group purchase should be reported in the school district’s fixed asset records. The clarified guidance goes into effect commencing in the year ended June 30, 2024. The School District should review its current practices and written policies to ensure that they align with this clarified guidance.

Significant Changes Coming to the Auditor’s Report Letter Next Year

In May 2019, the AICPA Auditing Standards Board (ASB) issued Statement on Auditing Standards (SAS) No. 134, *Auditor Reporting and Amendments, including Amendments Addressing Disclosures in the Audit of Financial Statements*. The update, which is the first significant change to auditor's reports in years, requires changes in the form and content of the auditor's report issued as a result of an audit of financial statements in order to provide financial statement users with more meaningful information about the audit process and meaning of auditor opinions. The statement also introduces the potential for auditors to be engaged to report on key audit matters within the opinion letter. These changes will take effect for the first time in your June 30, 2022 audited financial statements.

The significant key changes that you can expect to see in the auditor's report letter next year include the following:

- Revised order for elements of the opinion letter, including moving the auditor's opinion to the top of the letter
- Expansion of information to be included within a basis of opinion section, as well as notification to the user that the auditor is required to be independent of the entity and meet other ethical responsibilities
- Explanation of how misstatements to financial statements are determined to be material
- Addition of definition of reasonable assurance and identifying that the risk of material misstatement due to fraud is greater than the risk due to error
- Enhanced reporting related to going concern, including a description of management's responsibilities when required by the applicable reporting framework
- Description of the auditor's responsibilities, including responsibilities relating to professional judgment and professional skepticism, internal controls, identification of risks of material misstatement to the financial statements, evaluation of accounting policies used, conclusion on the entity's ability to continue as a going concern, and the auditor's communications with those charged with governance
- Introduction of the concept of key audit matters and clarification of the relationship between communication of key audit matters and the use of an emphasis of matter or other matter paragraph
- Alignment of reporting requirements when the audit is conducted under both generally accepted auditing standards (GAAS) and another set of auditing standards or when the auditor's opinion is other than an unmodified opinion

Understanding and Managing Potential Threats to Your Data

Education continues to be one of the top targets for ransomware attacks. Legislation called the "Enhancing K-12 Cybersecurity Act" was introduced in the House in June 2021 and would appropriate \$10M yearly for two years to fund a program to improve cybersecurity in school districts.

Working remotely during the pandemic has led to a global rise in cyberattacks. School districts shifted to remote learning quickly; in so doing, security controls may have been relaxed. In today's age of continual reports of cyberattacks, school districts need to be aware of where potential risks lie and how they are addressed and communicated to employees and the public.

When it comes to cybersecurity, the human element is still the weakest link and most targeted, as passwords like "August2021" can be easily guessed, and emails continue to trick people into clicking links and opening attachments. Information security is a district-wide issue, not just an IT department responsibility, requiring a combination of people, processes, and technology to effectively secure student,

employee, and financial data. Now is the time to take a step back and assess exactly where your data is and the controls surrounding it. Key questions to ask include the following:

- Are our teachers and staff appropriately aware of phishing and other cyber attacks?
- Do you know where all of the various data resides in the school district? Are employees storing district data with personally identifiable information (PII) or data that is subject to FERPA on file-sharing sites or flash drives? Is the data being emailed to personal accounts?
- How secure is your data with at least a portion of your students and teachers working remotely?

Having an external party do an assessment on vulnerabilities may provide additional support to the IT team for initiatives it is implementing, providing peace of mind for the board that vulnerabilities have been assessed and addressed and allowing for confident communication to the public that its student and employee data is secure. If you are interested in discussing this further, we would be happy to continue the conversation.



Date: October 7, 2021

To: Andrea Oquist, Superintendent

From: Phillip Francis, Director of Operations

Re: Purchase of Dairy Products for School Meal Program

I would like to request adding an agenda item to the Monday, October 11, 2021 Committee of the Whole meeting to discuss the 2021-22 dairy purchase from Cedar Crest Dairy Inc., Hudsonville, Michigan in the amount of \$160,000.00 from the Food Service Fund.

Attached is the bid documentation from the Washtenaw Intermediate School District, which has been approved by the Michigan Department of Education and is open to any district in the State of Michigan. This satisfies the Board's bid requirement.

Please let me know if there are any questions. Thank you.

PF/ko

Attachment

c: Board of Education

Prairie Farms Dairy, Inc.

Date 07/01/21 Time 07:29:46

Company 1 Division 83 Branch 83 Deck 3700

Product Number	Description	UPC	Code	Points	Current Price	Future Date	Future Price	Diff
1060 GAL	WHOLE	PF	0-72730-21110-0	4.0000	3.7647	7/5/2021	3.6900	-(0.0747)
1229 GAL	2%	PF	0-72730-22110-9	4.0000	3.5341	7/5/2021	3.4592	-(0.0749)
1350 GAL	1%	PF	0-72730-23110-8	4.0000	3.3742	7/5/2021	3.2992	-(0.0750)
1421 GAL	SKIM	PF	0-72730-23117-7	4.0000	3.2218	7/5/2021	3.1467	-(0.0751)
4994 GAL	CHOCOLATE 1%	PF	0-72730-26126-6	4.0000	3.6504	7/5/2021	3.5754	-(0.0750)
1092 HGAL	WHOLE PLST	PF	0-72730-21202-2	2.0000	1.9955	7/5/2021	1.9581	-(0.0374)
1303 HGAL	2% PLST	PF	0-72730-22202-1	2.0000	1.8486	7/5/2021	1.8111	-(0.0375)
26321 HGAL	2%-UHT	PFBOX	0-72730-22206-9	2.0000	2.6132	7/5/2021	2.5757	-(0.0375)
1361 HGAL	1% PLST	PF	0-72730-23208-2	2.0000	1.7998	7/5/2021	1.7623	-(0.0375)
29108 HGAL	LFREE CHOC UHT 6/	PF	0-72730-23225-9	2.0000	2.9100			
26395 HGAL	LFREE 1% UHT 6/	PF	0-72730-23223-5	2.0000	2.9100			
24874 HGAL	LFREE FF CAL UHT	PFBOX	0-72730-23224-2	2.0000	2.9100			
24871 HGAL	LFREE WHOLE UHT/6	PFBOX	0-72730-23221-1	2.0000	2.9100			
24870 HGAL	LFREE 2% UHT	PFBOX	0-72730-23220-4	2.0000	2.9100			
1445 HGAL	SKIM PLST	PF	0-72730-23216-7	2.0000	1.7180	7/5/2021	1.6805	-(0.0375)
5684 HGAL	BUTTERMILK PLST	PF	0-72730-25204-2	2.0000	2.3280	7/5/2021	2.2905	-(0.0375)
5846 HGAL	CHOC PREM PLST	PF	0-72730-26203-4	2.0000	2.3340	7/5/2021	2.2966	-(0.0374)
27623 HGAL	CHOC PREM UHT	PFBOX	0-72730-26201-0	2.0000	2.9758	7/5/2021	2.9384	-(0.0374)
29574 QT	WHOLE UHT PLST	PF	0-72730-21310-4	1.0000	1.7046	7/5/2021	1.6859	-(0.0187)
29575 QT	2% UHT PLST	PF	0-72730-22310-3	1.0000	1.6996	7/5/2021	1.6809	-(0.0187)
29725 QT	1% UHT PLST	PF	0-72730-23311-9	1.0000	1.5458	7/5/2021	1.5271	-(0.0187)
29598 QT	SKIM UHT PLST	PF	0-72730-23310-2	1.0000	1.5050	7/5/2021	1.4862	-(0.0188)
1478 QT	BUTTERMILK	PF	0-72730-25305-6	1.0000	1.1372	7/5/2021	1.1185	-(0.0187)
29576 QT	CHOC PREM UHT PLST	PF	0-72730-26310-9	1.0000	1.7490	7/5/2021	1.7303	-(0.0187)
29577 QT	STRW PREM UHT PLST	PF	0-72730-26311-6	1.0000	1.7425	7/5/2021	1.7238	-(0.0187)
29578 14 OZ	WHOLE UHT PLST	PF	0-72730-21450-7	0.5000	0.7586	7/5/2021	0.7504	-(0.0082)
29579 14 OZ	2% UHT PLST	PF	0-72730-22450-6	0.5000	0.7660	7/5/2021	0.7578	-(0.0082)
29580 14 OZ	SKIM UHT PLST	PF	0-72730-23450-5	0.5000	0.7773	7/5/2021	0.7691	-(0.0082)

29583	14 OZ	CHOC MALT UHT PLST	PF	0-72730-26452-6	0.5000	0.7586	7/5/2021	0.7504	-(0.0082)
29584	14 OZ	CHOC PBTR UHT PLST	PF	0-72730-26453-3	0.5000	0.7586	7/5/2021	0.7504	-(0.0082)
29581	14 OZ	CHOC PREM UHT PLST	PF	0-72730-26450-2	0.5000	0.7586	7/5/2021	0.7504	-(0.0082)
29586	14 OZ	CHOC 1% UHT PLST	PF	0-72730-26455-7	0.5000	0.7722	7/5/2021	0.7640	-(0.0082)
29585	14 OZ	SS CARMEL UHT PLST	PF	0-72730-26454-0	0.5000	0.7586	7/5/2021	0.7504	-(0.0082)
29582	14 OZ	STRW PREM UHT PLST	PF	0-72730-26451-9	0.5000	0.7586	7/5/2021	0.7504	-(0.0082)
1165	HPT	WHOLE 50/CS	PF	0-72730-21604-4	0.2500	0.2653	7/5/2021	0.2606	-(0.0047)
1331	HPT	2% 50/CS	PF	0-72730-22606-7	0.2500	0.2594	7/5/2021	0.2547	-(0.0047)
4752	HPT	1% 50/CS	PF	0-72730-23602-8	0.2500	0.2429	7/5/2021	0.2382	-(0.0047)
33110	HPT	LACT FF+CAL 12/BX	HOOD	0-41383-07413-4	0.2500	0.6659			
5404	HPT	SKIM 50/CS	PF	0-72730-23608-0	0.2500	0.2661	7/5/2021	0.2614	-(0.0047)
1555	HPT	CHOC 1% 50/CS	PF	0-72730-26616-2	0.2500	0.2672	7/5/2021	0.2625	-(0.0047)
13877	HPT	STRWBRY 1% 50/CS	PF	0-72730-26610-0	0.2500	0.2672	7/5/2021	0.2625	-(0.0047)
1600	5 LB	SOUR CREAM	PF	0-72730-32102-1	5.0000	6.5058	7/5/2021	6.4581	-(0.0477)
1620	1 LB	LITE SOUR CREAM	PF	0-72730-32312-4	1.0000	1.4762	7/5/2021	1.4667	-(0.0095)
1605	1 LB	SOUR CREAM	PF	0-72730-32310-0	1.0000	1.4762	7/5/2021	1.4667	-(0.0095)
1624	1 LB	SOUR CREAM NO FAT	PF	0-72730-32314-8	1.0000	1.4762	7/5/2021	1.4667	-(0.0095)
1740	5 LB	COTT CHEESE LC	PF	0-72730-31221-0	5.0000	7.2282	7/5/2021	7.3017	0.0735
1769	5 LB	COTT CHEESE LOWFAT	PF	0-72730-31311-8	5.0000	7.2092	7/5/2021	7.2827	0.0735
1669	5 LB	COTT CHEESE SC	PF	0-72730-31211-1	5.0000	7.2092	7/5/2021	7.2827	0.0735
1753	24 OZ	COTT CHEESE LC	PF	0-72730-31525-9	1.5000	3.5310	7/5/2021	3.5530	0.0220
1781	24 OZ	COTT CHEESE LOWFAT	PF	0-72730-31510-5	1.5000	3.5310	7/5/2021	3.5530	0.0220
1700	24 OZ	COTT CHEESE SC	PF	0-72730-31515-0	1.5000	3.5310	7/5/2021	3.5530	0.0220
1763	16 OZ	COTT CHEESE LC	PF	0-72730-31325-5	1.0000	1.4418	7/5/2021	1.4565	0.0147
1787	16 OZ	COTT CHEESE LOWFAT	PF	0-72730-31310-1	1.0000	1.4418	7/5/2021	1.4565	0.0147
1719	16 OZ	COTT CHEESE SC	PF	0-72730-31315-6	1.0000	1.4418	7/5/2021	1.4565	0.0147
30342	5 OZ	COTT CH SC-FIESTA	PF	0-72730-31378-1	0.3750	0.8889	7/5/2021	0.8935	0.0046
30341	5 OZ	COTT CH SC-PEACH	PF	0-72730-31377-4	0.3750	0.8889	7/5/2021	0.8935	0.0046
30340	5 OZ	COTT CH SC-PINAPLE	PF	0-72730-31376-7	0.3750	0.8889	7/5/2021	0.8935	0.0046
30339	5 OZ	COTT CH SC-STRAW	PF	0-72730-31375-0	0.3750	0.8889	7/5/2021	0.8935	0.0046
30343	5 OZ	COTT CH SC-VEGGIE	PF	0-72730-31379-8	0.3750	0.8889	7/5/2021	0.8935	0.0046
30345	5 OZ	COTT CHEESE LOWFAT	PF	0-72730-31381-1	0.3750	0.8889	7/5/2021	0.8935	0.0046
30344	5 OZ	COTT CHEESE SC	PF	0-72730-31380-4	0.3750	0.8889	7/5/2021	0.8935	0.0046
21680	4 OZ	COTT CH LOWFAT	PF	0-72730-31410-8	0.2500	0.4639	7/5/2021	0.4676	0.0037

25166	HGAL	MIX 4% CHOC PLST	PF	0-72730-27213-2	2.0000	3.3530
25167	HGAL	MIX 4% VAN PLST	PF	0-72730-27214-9	2.0000	3.3530
1963	PT	JUICE ORANGE PLST	PF	0-72730-29446-2	0.5000	0.7156
8508	4 OZ	JUICE APPLE	PF	0-72730-29744-9	0.1250	0.1313
1977	4 OZ	JUICE ORANGE	PF	0-72730-29745-6	0.1250	0.1414
24705	HGAL	ALMOND ORIGINAL 60	HILND	0-72060-00554-7	2.0000	2.6428
24707	HGAL	ALMOND VANILLA 90	HILND	0-72060-00558-5	2.0000	2.6428
1827	5 LB	YOG ASSORTED	PF	0-00000-00000-0	5.0000	5.5556
1829	5 LB	YOG BLUEBERRY	PF	0-72730-34702-1	5.0000	5.5556
1831	5 LB	YOG CHERRY VANILLA	PF	0-72730-34703-8	5.0000	5.5556
1833	5 LB	YOG FF/NSA PLAIN	PF	0-72730-34705-2	5.0000	5.5556
1836	5 LB	YOG RASPBERRY	PF	0-72730-34701-4	5.0000	5.5556
1838	5 LB	YOG STRAWBERRY	PF	0-72730-34704-5	5.0000	5.5556
16093	5 LB	YOG VANILLA	PF	0-72730-34706-9	5.0000	5.5556
24842	24 OZ	YOG BLUEBERRY	PF	0-72730-34506-5	1.5000	1.8687
24840	24 OZ	YOG PEACH	PF	0-72730-34504-1	1.5000	1.8687
24839	24 OZ	YOG PLAIN	PF	0-72730-34503-4	1.5000	1.8687
24838	24 OZ	YOG STRAWBERRY	PF	0-72730-34502-7	1.5000	1.8687
24837	24 OZ	YOG VANILLA	PF	0-72730-34501-0	1.5000	1.8687
24927	7 OZ	SMOOTHIE MANGO	HILND	0-72060-00674-2	0.5000	0.7545
24928	7 OZ	SMOOTHIE PEACH	HILND	0-72060-00670-4	0.5000	0.7545
24932	7 OZ	SMOOTHIE STRAWBERRY	HILND	0-72060-00673-5	0.5000	0.7545
24931	7 OZ	SMOOTHIE STRW/BAN	HILND	0-72060-00675-9	0.5000	0.7545
1919	6 OZ	FF YOG ASST FLAVOR	PF	0-00000-00000-0	0.3750	0.4949
20472	6 OZ	YG FF BLUEBERRY	PF	0-72730-34434-1	0.3750	0.4949
20473	6 OZ	YG FF PEACH	PF	0-72730-34437-2	0.3750	0.4949
20476	6 OZ	YG FF STRAW/BAN	PF	0-72730-34442-6	0.3750	0.4949
20475	6 OZ	YG FF STRAWBERRY	PF	0-72730-34441-9	0.3750	0.4949
20477	6 OZ	YG FF VANILLA	PF	0-72730-34443-3	0.3750	0.4949
1841	6 OZ	YOG ASSORTED	PF	0-00000-00000-0	0.3750	0.4949
20484	6 OZ	YOG BLACK CHERRY	PF	0-72730-34412-9	0.3750	0.4949
20462	6 OZ	YOG BLACKBERRY	PF	0-72730-34413-6	0.3750	0.4949
20463	6 OZ	YOG BLUEBERRY	PF	0-72730-34414-3	0.3750	0.4949
20464	6 OZ	YOG CHERRY VANILLA	PF	0-72730-34416-7	0.3750	0.4949

20465	6 OZ	YOG PEACH	PF	0-72730-34417-4	0.3750	0.4949
20467	6 OZ	YOG RED RASPBERRY	PF	0-72730-34419-8	0.3750	0.4949
20285	6 OZ	YOG STRAW CHSCAKE	PF	0-72730-34422-8	0.3750	0.4949
20469	6 OZ	YOG STRAW/BAN	PF	0-72730-34421-1	0.3750	0.4949
20468	6 OZ	YOG STRAWBERRY	PF	0-72730-34420-4	0.3750	0.4949
20470	6 OZ	YOG VANILLA	PF	0-72730-34423-5	0.3750	0.4949
23640	4 OZ	YG FF BLUEBERRY	PF	0-72730-34461-7	0.2500	0.2417
23641	4 OZ	YG FF PEACH	PF	0-72730-34462-4	0.2500	0.2417
23639	4 OZ	YG FF STRAWBERRY	PF	0-72730-34460-0	0.2500	0.2417
30585	4 OZ	YG FF VANILLA	PF	0-72730-34667-3	0.2500	0.2417



PRICE LIST PREPARED FOR:

**WASHTENAW
ISD**

Hudsonville, MI 49426 Phone 616.662.7679 Fax 616.669.7633

Effective: **7/4/2021**

Item No.	Description	Size	Case Ct.	Price
MILK GALS - COUNTRY DAIRY				
9030/10030/52106	CD 1% MILK GALLON	GAL	4	\$ 3.7504
9040/10040/52111	CD FF MILK GALLON	GAL	4	\$ 3.5367
MILK HGLS - COUNTRY DAIRY				
10011/52109	CD Non-GMO HVD MILK	HGL	9	\$ 2.0550
10021/52107	CD Non-GMO 2% RF MILK	HGL	9	\$ 2.0350
10031/52114	CD Non-GMO 1% LF MILK	HGL	9	\$ 1.9750
10041/52108	CD Non-GMO FAT FREE MILK	HGL	9	\$ 1.8150
50449	HGL CHOC 1% (TRUMOO)	HGL	9	\$ 2.6189
MILK QTS - COUNTRY DAIRY				
10012/52273	CD Non-GMO HVD MILK	QT	9	\$ 1.4100
10022/52797	CD Non-GMO 2% RF MILK	QT	9	\$ 1.4000
10052/49951	CD Non-GMO HVD CHOC MILK	QT	9	\$ 1.8500
MILK PINTS - COUNTRY DAIRY				
10013	CD Non-GMO HVD MILK	PINT	20	\$ 0.9000
10023	CD Non-GMO 2% RF MILK	PINT	20	\$ 0.8700
10053	CD Non-GMO HVD DUTCH CHOC M	PINT	20	\$ 0.9900
10065	CD Non-GMO HVD STRAWBERRY I	PINT	20	\$ 0.9900
MILK - HALF PINTS PAPER				
500047	CF HVD SMX	HPT	50	\$ 0.2950
500060	CF 2% WHITE SMX	HPT	50	\$ 0.2750
500018	CF 1% WHITE SMX	HPT	50	\$ 0.2590
6170	CF FAT FREE SMX	HPT	50	\$ 0.2562
500084	CF CHOCOLATE SMX	HPT	50	\$ 0.2790
15235	CF STRAWBERRY SMX	HPT	50	\$ 0.2790
MILK - HALF PINTS PLASTIC CD				
10034	CD 1% PL HPT	PL HPT	50	\$ 0.3710
10055	CD 1% CHO PL HPT	PL HPT	50	\$ 0.4268
COTTAGE CHEESE				
525038	COTT CHEESE SC	5#	4	\$ 8.2473
SOUR CREAM				
535038	SOUR CREAM	5#	4	\$ 7.0590
YOGURT				
18719	YOG BULK BLUEBERRY	5#	4	\$ 7.1458
18718	YOG BULK STRAWBRY	5#	4	\$ 7.1458
1831	YOG BULK CHERRY VAN	5#	4	\$ 7.1458
SCHOOL JUICE				
565001	JUICE-4oz APPLE	CS96/4oz	1	\$ 21.4300
565003	JUICE-4oz FRUIT PN	CS96/4oz	1	\$ 22.0800
565005	JUICE-4oz GRAPE	CS96/4oz	1	\$ 23.4800
565006	JUICE-4oz ORANGE	CS96/4oz	1	\$ 24.6300

Berkshire Dairy Distributors

July 1, 2021

Washtenaw ISD

Pricing has changed for deliveries effective July 6, 2021 as follows:

Item #	Pack	Description	Price	
6095351	50x½pint	1% White	0.308	15.40
6095352		Skim	0.276	13.80
6095396		1% Choc	0.28	14.00
6095369		FF Choc	0.276	13.80
6095373		FF Straw	0.296	14.80
6333877		1% Strawberry	0.3	15.00
6095083	9x½gl	Homo	2.15	19.35
6095084		2% White	2.12	19.08
6095085		1% White	1.93	17.37
6095087		Choc	2.21	19.89
0150103		Orange Juice	0.148	10.36
0150003		Apple Juice	0.136	9.52

Please contact us for additional information or assistance. We appreciate the opportunity to be of service

Sales	Greg Tatarain
Customer Service	313-865-4000 ext 218
Accounts Receivable	313.865.4000 ext 227
Customer Relations: Jackie Lawson	313.865.4000 ext 241



Livonia Public Schools

Academic Services

Date: October 6, 2021

To: Andrea Oquist, Superintendent

From: Theresa O'Brien, Chief Academic Officer

Re: **Purchase of CogAT and Iowa Testing Materials for Grades 6 and 8**

I would like to request to be placed on the agenda for the Committee of the Whole Meeting on October 11 to discuss the purchase of CogAT and Iowa testing materials. We administer CogAT to our sixth and eighth graders each year. These assessments are typically given in person prior to 2020, but last year we administered the online version of these materials and we would like to continue using that format. During the Study Session, I mistakenly stated that the purchase is for books and answer sheets, but instead this purchase is for online testing licenses.

The attached quote is for CogAT testing materials for all sixth and eighth graders, and Iowa testing materials to use for identification of students for our magnet programs. This quote also includes professional development for administration of the online test.



Quote

Prepared For

Livonia Public School District

Livonia Public School District
15125 Farmington Rd
Livonia MI 48154-5413
United States

For the Purchase of:

CogAT 7 and Iowa E Online

For additional information or questions, please contact:

Barbara Fuerbacher
barbara.fuerbacher@riversideinsights.com

RIVERSIDE INSIGHTS

Attention.

Riverside Insights
One Pierce Place Suite 900W
Itasca, IL 60143
PHONE: 800-323-9540
orders@service.riversideinsights.com

9/20/2021

QT028687

1 of 3

Please submit this form with your purchase order

Riverside Assessments, LLC d/b/a Riverside Insights is the new name of Houghton Mifflin Harcourt's former clinical and standardized assessment business, which was divested from HMH in October 2018 and is now independent

Quote For Livonia Public School District

Material No	Title	List Price	Sale Price	Quantity	Purchase/ Amount
2000572	DATAMANAGER TRAINING ACADEMY SILVER, BEYOND YEAR ONE	\$850.00	\$850.00	1	\$850.00
2000018	CogAT Form 7 Online Testing Levels 5/6-17/18	\$15.23	\$15.23	2,012	\$30,642.76
Subtotal					\$31,492.76

Thank you,
Barbara Fuerbacher | Assessment Consultant |
barbara.fuerbacher@riversideinsights.com

Subtotal Purchase Amount:	\$31,492.76
Shipping & Handling:	\$0.00
Sales Tax:	\$0.00
Total Cost of Quote (PO Amount):	\$31,492.76

RIVERSIDE INSIGHTS

Attention

Riverside Insights
 One Pierce Place Suite 900W
 Itasca, IL 60143
 PHONE. 800-323-9540
 orders@service.riversideinsights.com

9/20/2021

QT028687

2 of 3⁴²

Please submit this form with your purchase order

Quote For Livonia Public School District

Total Cost of Quote (PO Amount) : \$31,492.76

Thank you for considering Riverside Insights as your partner. We are committed to providing an excellent experience and delivering ongoing, high-quality service to our customers. To meet these goals, we want to ensure you are aware of the below Terms of Sale. These terms help us process your order quickly, efficiently, and accurately, ensuring successful delivery and implementation of our solutions.

- Please return this Quote with your signed purchase order that matches product, price and shipping charges.
- Provide the exact address for delivery of print materials. The shipping address may be your district warehouse or individual school sites, but it is essential that this is accurate.
- Please supply the name of each important district point of contact for all aspects of the solution including their direct contact information (email/phone):
 - Point of Contact for Print Materials
 - Point of Contact for Digital Materials
 - Point of Contact for Scheduling Professional Development
- Please confirm that we have the correct Ship to and Bill to information on the Quote.

Ship To:
 Livonia Public School District
 15125 Farmington Rd
 Livonia MI 48154-5413
 United States

Bill to:
 137122
 Livonia Public School District
 15125 Farmington Rd
 Livonia MI 48154-5413
 United States

- Please provide funding start and end dates.
- Please note that all products and services will be billed upon the processing of your purchase order.
- Our payment terms are 30 days from the invoice date.
- Our standard shipping terms are FOB Shipping Point. The shipping terms for your Quote are FOB Shipping Point.
- Should any of these Terms of Sale conflict with any preprinted terms on your purchase order, the Riverside Insights Terms of Sale shall apply.
- Make check, money order, or valid purchase order payable to Riverside Assessments, LLC.

Thank you in advance for supplying us with the necessary information at time of purchase. Our goal is to ensure your success throughout the duration of this agreement, which starts with a highly successful delivery of our solution. For greater detail, the complete Terms of Sale may be reviewed here at: <http://www.riversideinsights.com>

Date Of Quote: 9/20/2021

Quote Expiration Date: 12/19/2021

RIVERSIDE INSIGHTS

Attention:

Riverside Insights
 One Pierce Place Suite 900W
 Itasca, IL 60143
 PHONE: 800-323-9540
orders@service.riversideinsights.com



Livonia Public Schools

Secondary Programs & District Services

Date: October 05, 2021
To: Andrea Oquist, Superintendent
From: Daniel R. Willenborg, Director
Re: Board Policy JCAB

Mr. Willenborg presented on and led discussion regarding the renaming and revising of Policy JCAB: Investigations and Searches by School Officials. The new policy, titled *Searches of Individual Students, Lockers, and Other Personal Property*, emphasizes that school officials may conduct searches of students, their property, and vehicles on school property based upon reasonable suspicion. Reasonable suspicion is not required to search student lockers. Students have no expectation of privacy regarding their school lockers. Several modifications of the revised policy were recommended by the BOE.

Please add this item to the agenda of the Committee of the Whole meeting on October 11, 2021.

BOARD POLICY

JCAB

STUDENTS

OCTOBER 15, 2001

INVESTIGATIONS AND SEARCHES OF INDIVIDUAL STUDENTS, LOCKERS, AND OTHER PERSONAL PROPERTY ~~INVESTIGATIONS AND SEARCHES BY SCHOOL OFFICIALS~~

~~Administrators, teachers, and other employees who have reasonable suspicion shall have the right to detain and question students when in their judgment it is necessary to do so. A student's person may be searched by the principal or his or her designee based upon a reasonable suspicion that a prohibited act, as set forth in the Student Code of Conduct, has occurred.~~ **and other school officials have the responsibility and right to search and frisk a student and search their personal belongings based upon reasonable suspicion that a prohibited or illegal act has occurred.**

~~A student's~~ **All lockers** ~~is the~~ **are school** ~~property of the school district, and a principal or his or her designee may enter the locker from time to time and inspect the contents contained therein without reasonable suspicion and without notice to or approval by the student.~~ **of which students have no expectation of privacy. Locker searches may be conducted at any time and may include sniffer dogs. Students are solely responsible for the contents of their lockers and are not to share their lockers or divulge their locker combinations to other students. Students are prohibited from placing locks on any locker without the advanced approval of school administration.**

~~A student's automobile parked on school property may be searched without notice to or approval by the student.~~ **School administrators may conduct a search based upon reasonable suspicion, of any vehicle driven onto school property by a student, regardless of actual vehicle ownership.**

In the course of a search conducted pursuant to this policy, the privacy rights of the student shall be respected regarding any items that are not illegal or against school ~~policy~~ **rules**. Illegal drugs, alcohol, weapons and other dangerous instruments, unauthorized items, items in violation of **Board policy** ~~or rules~~, and other items reasonably determined to be a potential threat to the safety or security of others, which are found during a search shall be seized by school personnel and may be used as evidence in a suspension or ~~expulsion~~ **disciplinary** hearing, and in addition, these items may be turned over to the proper ~~police~~ **legal** authority.

LEGAL REF.: In re Gault, 87 S. Ct. 1428 (1967); Tinker v. Des Moines, 393 U.S. 503, 506 (1969); Terry v. Ohio, 392 U.S. 1, 9 (1968); Jones v. Latexo School District, 499 F. Supp. 223 (D.C. Tex. 1980); MCL 380.1306, and New Jersey v. T.L.O., 469 US 325, (1985) (Legal References Updated 3/12/07)