



**ORDER ADOPTING THE AMENDED FISCAL YEAR 2011-2012 BUDGET
FOR THE
SCHOOL DISTRICT OF THE CITY OF DETROIT**

Order 2012-EMRR-34

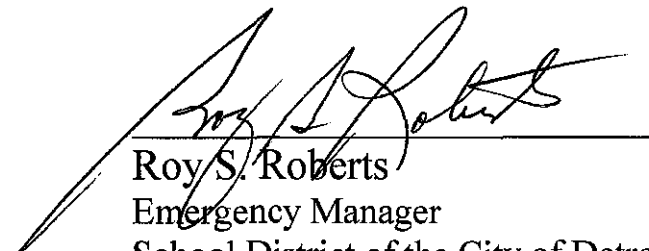
BY THE POWER AND AUTHORITY VESTED IN THE EMERGENCY MANAGER
FOR THE SCHOOL DISTRICT OF THE CITY OF DETROIT, MICHIGAN
("EMERGENCY MANAGER") PURSUANT TO MICHIGAN'S
PUBLIC ACT 4 OF 2011, THE LOCAL GOVERNMENT AND SCHOOL DISTRICT FISCAL
ACCOUNTABILITY ACT, ("LGSDFA" and or "PUBLIC ACT 4");
ROY S. ROBERTS, THE EMERGENCY MANAGER,
ISSUES THE FOLLOWING ORDER:

The Emergency Manager hereby adopts the amended Fiscal Year 2011-2012 budget.

This Order may be amended, modified, repealed or terminated by any subsequent Order issued by the Emergency Manager.

Dated: June 27, 2012

By:



Roy S. Roberts
Emergency Manager
School District of the City of Detroit

DETROIT PUBLIC SCHOOLS
FY 2012
PROPOSED AMENDED BUDGET
GENERAL FUND¹
June 30, 2012

	FY 2012 Amended Feb 15, 2012	FY 2012 Amended FINAL	Increase (Decrease) ²	% Increase (Decrease)	Notes
Revenue:					
Local sources					
Special education millage	\$ 60,767,155	\$ 45,622,188	\$ (15,144,967)	(25%)	[A]
Property Taxes	74,634,159	72,339,168	(2,294,991)	(3%)	[B]
Other	38,503,833	38,805,664	301,831	1%	[C]
Total local sources	173,905,147	156,767,020	(17,138,127)	(10%)	
State sources	497,485,054	504,870,571	7,385,517	1%	[D]
Federal sources	360,612,559	331,146,229	(29,466,330)	(8%)	[E]
Total Revenue	1,032,002,760	992,783,820	(39,218,940)	(4%)	
Expenditures:					
Instruction	520,825,039	498,402,824	(22,422,215)	(4%)	[F]
Support services					
Pupil services	72,249,999	66,007,565	(6,242,434)	(9%)	[G]
Instructional staff support	113,859,290	93,545,506	(20,313,784)	(18%)	[H]
General administration	6,889,250	9,109,927	2,220,677	32%	[I]
School administration	62,221,069	58,660,022	(3,561,047)	(6%)	[J]
Business office	17,264,510	14,279,836	(2,984,674)	(17%)	[K]
Operations & maintenance	88,483,998	86,635,732	(1,848,266)	(2%)	[L]
Transportation	34,257,666	37,285,950	3,028,284	9%	[M]
Central support service	46,724,448	42,611,941	(4,112,507)	(9%)	[N]
Other support service	39,015,719	38,165,282	(850,437)	(2%)	[O]
Total support services	480,965,949	446,301,761	(34,664,188)	(7%)	
Community service	7,671,415	8,865,028	1,193,613	16%	[P]
Facilities acquisitions and improvement	100,000	100,000	-	0%	
Debt service	42,255,684	50,665,965	8,410,281	20%	[Q]
Total Expenditures	1,051,818,087	1,004,335,578	(47,482,509)	(5%)	
Other Financial Sources (Uses)					
Sources					
Proceeds from sale of capital assets and other	3,002,000	3,558,639	556,639	19%	[R]
Proceeds from long term revenue bonds	200,000,000	200,000,000	-	0%	
Proceeds from Settlements	17,000,000	21,262,677	4,262,677	25%	[S]
Transfers In	35,351,369	36,056,464	705,095	2%	[T]
Total Sources	255,353,369	260,877,780	5,524,411	2%	
Uses					
Transfers Out	(35,538,042)	(36,327,674)	789,632	2%	[T]
Prior Year Adjustments	-	(1,072,368)	1,072,368	100%	[U]
Total Uses	(35,538,042)	(37,400,042)	1,862,000	5%	
Total Other Financial Sources (Uses)	219,815,327	223,477,738	3,662,411	2%	
Excess (deficiency) of Revenue Over (Under) Expenditures and Other Financial Sources	\$ 200,000,000	\$ 211,925,980	\$ 11,925,980	6%	

¹ General Fund includes Fund 11 through 25.

² Notes: See footnotes that follow for explanation of increases and decreases

**Detroit Public Schools
FY 2012
PROPOSED AMENDED BUDGET - by FUND
Revenues, Expenditures, Sources and Uses**

	Amended FY 2012 Budget Feb 15, 2012	Amended FY 2012 Budget FINAL	Increase (Decrease)
Fund 11			
Revenue	\$ 716,216,332	\$ 730,987,500	\$ 14,771,168
Expenditures	<u>516,216,332</u>	<u>519,061,520</u>	<u>2,845,188</u>
Surplus (Deficit)	\$ 200,000,000	\$ 211,925,980	\$ 11,925,980
Fund 13			
Revenue	18,298,542	18,298,542	-
Expenditures	<u>18,298,542</u>	<u>18,298,542</u>	<u>-</u>
Surplus (Deficit)	\$ -	\$ -	\$ -
Fund 14			
Revenue	337,052,360	318,175,494	(18,876,866)
Expenditures	<u>337,052,360</u>	<u>318,175,494</u>	<u>(18,876,866)</u>
Surplus (Deficit)	\$ -	\$ -	\$ -
Fund 18			
Revenue	36,000,963	25,441,461	(10,559,502)
Expenditures	<u>36,000,963</u>	<u>25,441,461</u>	<u>(10,559,502)</u>
Surplus (Deficit)	\$ -	\$ -	\$ -
Fund 16			
Revenue	69,328,177	58,266,966	(11,061,211)
Expenditures	<u>69,328,177</u>	<u>58,266,966</u>	<u>(11,061,211)</u>
Surplus (Deficit)	\$ -	\$ -	\$ -
Fund 22			
Revenue	72,385,238	64,417,120	(7,968,118)
Expenditures	<u>72,385,238</u>	<u>64,417,120</u>	<u>(7,968,118)</u>
Surplus (Deficit)	\$ -	\$ -	\$ -
Fund 25			
Revenue	38,074,517	38,074,517	-
Expenditures	<u>38,074,517</u>	<u>38,074,517</u>	<u>-</u>
Surplus (Deficit)	\$ -	\$ -	\$ -

DETROIT PUBLIC SCHOOLS
FY 2012 PROPOSED AMENDED BUDGET
Revenues and Other Sources - All Funds

Fund	FY 2012 Amended Feb 15, 2012	FY 2012 Amended FINAL	Increase (Decrease)	% Increase (Decrease)	Notes
Fund 11 General Fund					
Property Tax Gross	\$ 89,764,069	\$ 87,003,836	\$ (2,760,233)	(3%)	
Uncollectable	(15,129,910)	(14,664,668)	465,242	3%	
Property Tax Net	74,634,159	72,339,168	(2,294,991)	(3%)	[B]
State Aid					[D]
22a Prop A Obligation	283,696,209	285,658,978	1,962,769	1%	
22b Discretionary Payment	65,088,105	66,869,388	1,781,283	3%	
152a Headlee Obligation - Adair & 94a.9	-	1,452,467	1,452,467	100%	
26a Renaissance Zone	4,850,159	4,850,159	-	0%	
22f Best Practice Incentive	6,688,519	6,674,244	(14,275)	(0%)	
147a MPSEs Cost Offset	9,410,332	9,410,956	624	0%	
29 Declining Enrollment	-	-	-	0%	
61a Vocational Education	1,143,719	1,143,719	-	0%	
Prior Year Adjustments	5,113,673	13,808,562	8,694,889	170%	
Other					[C]
Earnings on Investments	300,000	300,000	-	0%	
Medicaid Reimbursement	29,057,534	29,057,534	-	0%	
JROTC	1,990,535	1,990,535	-	0%	
Charter School Administration Fee	838,247	912,623	74,376	9%	
Other	8,587,727	8,776,224	188,496	2%	
Indirect Cost Revenue	7,817,413	5,940,266	(1,877,147)	(24%)	
Proceeds from Debt Refinancing	200,000,000	200,000,000	-	0%	
Services to Other Schools	-	540,000	540,000	0%	
Gain from Settlements	17,000,000	21,262,677	4,262,677	25%	[T]
Total Fund 11	716,216,332	730,987,500	14,771,168	2%	
Fund 13 Adult Education					
State Aid	4,798,143	4,798,143	(0)	(0%)	
Deferred Revenue	13,657,378	13,657,378	-	0%	
Prior Year Adjustment	(156,979)	(156,979)	0	(0%)	
Other - Earnings on Investments	-	-	-	0%	
Total Fund 13	18,298,542	18,298,542	(0)	(0%)	
Fund 14 Grants					
Title I	193,585,907	193,795,164	209,257	0%	[E]
31a At Risk	31,372,082	31,346,442	(25,640)	(0%)	
IDEA	23,134,721	21,374,934	(1,759,787)	(8%)	
Title II	36,392,845	43,488,534	7,095,689	19%	
Great Start Readiness	14,361,600	14,361,600	-	0%	
Other Grants	38,205,205	13,808,820	(24,396,385)	(64%)	
Total Fund 14	337,052,360	318,175,494	(18,876,866)	(6%)	
Fund 16 Special Education Center Based Programs					
Act 18	60,150,117	45,005,149	(15,144,968)	(25%)	[A]
Prior Year Adjustment	-	-	-	0%	
Follow That Child	617,039	617,039	-	0%	
Transfer from Fund 11	8,561,021	12,644,778	4,083,757	48%	
Total Fund 16	69,328,177	58,266,966	(11,061,211)	(16%)	
Fund 17 State Fiscal Stabilization Fund					
ARRA	-	-	-	0%	
EdJobs	-	-	-	0%	
Total Fund 17	-	-	-	0%	
Fund 18 ARRA					
ARRA Wayne RESA Flowthrough & CPE	-	-	-	0%	[E]
ARRA School Improvement	11,289,898	25,365,742	14,075,844	125%	
ARRA Title I Part A & D	24,711,065	719	(24,710,346)	(100%)	
ARRA - Other	-	75,000	75,000	0%	
Total Fund 18	36,000,963	25,441,461	(10,559,502)	(29%)	
Fund 22 Special Education					
State Aid	65,652,932	49,071,739	(16,581,193)	(25%)	[D]
Prior Year Adjustment	(10,114,589)	-	10,114,589	(100%)	[D]
Transfer from Fund 11	16,846,895	15,345,381	(1,501,514)	(9%)	
Total Fund 22	72,385,238	64,417,120	(7,968,118)	(11%)	
Fund 25 Food Service					
USDA Free & Reduced Lunch	32,415,949	32,415,949	-	0%	
Food Sales to Pupils	1,987,110	1,987,110	-	0%	
School Lunch Grant State Aid	1,023,170	1,023,170	-	0%	
Other	2,648,288	2,648,288	-	0%	
Total Fund 25	38,074,517	38,074,517	-	0%	
Total	\$ 1,287,356,128	\$ 1,253,661,600	\$ (33,694,528)	(3%)	



Detroit Public Schools
Proposed Amended Budget
Footnotes
General Fund FY 2012

The District completed a final projection for the FY 2011-2012 revenue and expenditures. As a result, the FY2012 budget has been amended with updated information and assumptions. The following is a summary of the footnotes explaining the variances within the schedules.

A – SPECIAL EDUCATION MILLAGE

Act 18 is a county millage that is levied by Wayne County to provide funding for special education students with the most severe disabilities. The final amended budget for Act 18 is \$45.6 million, a net decrease of \$15.1 million. This amount consists primarily of the \$7.0 million chargeback from WRESA and overpayment of \$7.1 million for FY2009. Various other adjustments totaling \$1.0 million accounts for the remaining difference.

B – PROPERTY TAXES

Final amended budget revenues are based on property tax values as of May 9, 2012 reported by Wayne County. Total Property Tax Levy is adjusted by DPS's historical collection rate of 83.14% and has been revised for the final amended budget from \$74.6 million to \$72.3 million, a decline of \$2.3 million.

C – OTHER SOURCES

Various other adjustments totaling \$301,832 increased the final amended budget for FY2012.

D – STATE SOURCES

The final FY2012 amended budget reflects a net increase of \$7.4 million from the most recent amended budget due to the following changes in revenues from the State of Michigan:

Fund 11 – net increase of \$13.9 million due to the increase in 22a Proposal A, 22b Discretionary, 52a Headlee Obligation and various other items.

Fund 22 – a net decrease of \$6.5 million due to the decline in Special Education population.

E – FEDERAL SOURCES

The final amended budget reflects a decrease of \$29.5 million compared to the FY2012 amended budget due to the overall decrease in grant allocations:

- Fund 14 - Title II net increase of \$7.1 million due to the increase in grant allocation. The IDEA grants revenue was reduced by net of \$1.8 million; ESEA School -Wide planning grant elimination of \$23.8 million and \$0.4 million reduction attributable to various small grants.
- Fund 18 - \$11.8 million reduction in revenues for School Improvement and Title I Part A grants and increase of \$1.2 million for ARRA Title I School Improvement Grant. An ARRA School



Improvement grant was initially budgeted in Fund 14, but it has been transferred to Fund 18 to reflect proper placement for ARRA funds.

DETROIT PUBLIC SCHOOLS
FY 2012
PROPOSED AMENDED BUDGET
EXPENDITURES AND OTHER USES - GENERAL FUND

	FY 2012 Amended Feb 15, 2012	FY 2012 Amended FINAL	Increase (Decrease)	% Increase (Decrease)	Notes
Fund 11 General Fund					
Personnel	\$ 292,821,511	\$ 284,407,325	\$ (8,414,186)	(3%)	[M]
Purchased Services	131,141,060	125,602,435	(5,538,625)	(4%)	[W]
Supplies	12,927,268	17,645,595	4,718,327	36%	[X]
Equipment & Capital	376,739	240,590	(136,149)	(36%)	[Y]
Utilities	10,756,634	10,755,234	(1,400)	0%	[Z]
Restricted	342,846	1,567,543	1,224,697	357%	[AA]
Principal & Interest	42,255,684	50,665,965	8,410,281	20%	[AB]
Transfers	25,594,590	28,176,833	2,582,243	10%	[AC]
Total Fund 11	516,216,332	519,061,520	2,845,188	1%	
Fund 13 Adult Education					
Personnel	3,362,326	3,352,326	(10,000)	0%	[AD]
Purchased Services	1,316,641	1,326,641	10,000	1%	[AE]
Supplies	75,000	75,000	-	0%	
Equipment & Capital	13,544,575	13,544,575	-	0%	
Total Fund 13	18,298,542	18,298,542	-	0%	
Fund 14 Grants					
Personnel	235,555,130	221,639,516	(13,915,614)	(6%)	[AF]
Purchased Services	64,369,667	72,347,094	7,977,427	12%	[AG]
Supplies	13,809,389	14,432,801	623,412	5%	[AH]
Equipment & Capital	830,876	700,996	(129,880)	(16%)	[AI]
Utilities	8,280	3,740	(4,540)	(55%)	[AJ]
Restricted	14,661,605	3,042,544	(11,619,061)	(79%)	[AK]
Transfers	7,817,413	6,008,803	(1,808,610)	(23%)	[AL]
Total Fund 14	337,052,360	318,175,494	(18,876,866)	(6%)	
Fund 16 Special Education Center Based Programs					
Personnel	64,041,146	53,023,679	(11,017,467)	(17%)	[AM]
Purchased Services	4,623,492	4,579,748	(43,744)	(1%)	[AN]
Supplies	663,539	663,539	-	0%	
Total Fund 16	69,328,177	58,266,966	(11,061,211)	(16%)	
Fund 18 ARRA					
Personnel	24,511,403	14,524,394	(9,987,009)	(41%)	[AO]
Purchased Services	9,249,882	8,403,999	(845,883)	(9%)	[AP]
Supplies	1,582,746	1,765,671	182,925	12%	[AQ]
Equipment & Capital	656,932	747,397	90,465	14%	[AR]
Total Fund 18	36,000,963	25,441,461	(10,559,502)	(29%)	
Fund 22 Special Education					
Personnel	67,080,788	61,769,970	(5,310,818)	(8%)	[AS]
Purchased Services	3,868,890	1,675,441	(2,193,449)	(57%)	[AT]
Supplies	1,360,560	897,782	(462,778)	(34%)	[AU]
Equipment & Capital	75,000	73,927	(1,073)	(1%)	[AV]
Total Fund 22	72,385,238	64,417,120	(7,968,118)	(11%)	
Fund 25 Food Service					
Personnel	15,074,905	13,962,976	(1,111,929)	(7%)	[AW]
Purchased Services	930,748	979,438	48,690	5%	[AX]
Supplies	17,983,494	19,746,645	1,763,151	10%	[AY]
Equipment & Capital	1,959,331	1,259,419	(699,912)	(36%)	[AZ]
Transfers	2,126,039	2,126,039	-	0%	
Total Fund 25	38,074,517	38,074,517	-	0%	
Total	\$ 1,087,356,129	\$ 1,041,735,620	\$ (45,620,509)	(4%)	



Detroit Public Schools
Proposed Amended Budget
Footnotes
General Fund FY 2012

EXPENDITURES – by FUNCTION

F – INSTRUCTION

Instruction includes the activities dealing directly with the teaching of pupils or the interaction between teacher and pupils.

Since the February amendment, the District received notification that the Title I ARRA grant would not be funded in FY2012. Consequently, \$10.0 million in instructional costs have been removed from the budget. Instructional personnel costs were reduced by an additional \$4.3 million because of budget alignments, revenue declines and to fund other District initiatives. Furthermore, because of a decline in revenues, budgeted Special Education instruction costs were reduced by \$6.8 million. Various other adjustments totaling \$1.3 million decreased the budget for instruction and account for the remaining difference between the February and June amended budgets.

G – PUPIL SERVICES

Pupil services consist of those activities that are designed to assess and improve the well being of students and to supplement the teaching process.

Because of a decline in revenues, budgeted Special Education pupil services costs have been reduced by \$5.7 million. Various other adjustments totaling \$500,000 decreased the budget for pupil services and account for the remaining difference between the February and June amended budgets.

H – INSTRUCTIONAL STAFF SUPPORT

Instructional staff support consists of activities associated with assisting the instructional staff with the content and process of providing learning experiences for pupils.

The Title II A Carry Over revenue was overstated in the amended budget and \$18.1 million in instructional staff support costs has been removed from the budget. Various other adjustments totaling \$2.2 million decreased the budget for instructional staff support and account for the remaining difference between the February and June amended budgets.

I – GENERAL ADMINISTRATION

General administration consists of those activities concerned with establishing policy, operating schools and the school system and providing the essential facilities and services for the staff and pupils.



The District has reallocated \$2.1 million in Head Start to general administration. Various other adjustments totaling \$100,000 increased the budget for general administration and account for the remaining difference between the February and June amended budgets.

J – SCHOOL ADMINISTRATION

School administration consists of those activities concerned with overall administrative responsibility for a single school.

The budget for school administrative staff participating in the Second Chance Program was decreased by \$1.8 million. In addition, Specialized Student Services reduced its school administration budget by \$900,000. Various other adjustments totaling \$900,000 decreased the budgeted expenses for school administration and account for the remaining difference between the adopted and amended budgets.

K – BUSINESS OFFICE

Business office consists of activities concerned with purchasing, paying, transporting, exchanging and maintaining goods and services for the school district.

The District has reduced the purchased services budget for the Office of Budget by \$1.6 million and the Office of the Chief Financial Officer by \$800,000 to fund other District initiatives. Various other adjustments totaling \$600,000 decreased the budgeted expenses for business office and account for the remaining difference between the adopted and amended budgets.

L – OPERATIONS AND MAINTENANCE

Operations and Maintenance consists of those activities concerned with keeping the physical plant open, clean, safe and orderly.

The District reduced the budget for maintenance supplies by \$1.5 million and janitorial supplies by \$650,000. Various other adjustments totaling \$350,000 increased the budgeted expenses for operations and account for the remaining difference between the adopted and amended budgets.

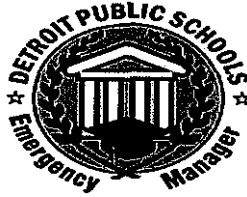
M – TRANSPORTATION

Transportation consists of activities concerned with the conveyance of pupils to and from school.

The purchased services budget for the Office of Student Transportation has been increased by \$2.7 million to fund taxi cabs for students, bus passes and field trip expenses. In addition, the worker's compensation budget for transportation has been increased by \$400,000. Various other adjustments totaling \$100,000 decreased the budgeted expenses for transportation and account for the remaining difference between the adopted and amended budgets.

N – CENTRAL SUPPORT SERVICE

Central Support Service consists of activities other than general administration that support each of the other instructional and supporting service programs.



The budget for Data Processing Services was reduced by \$2.0 million. In addition, the District removed \$1.5 million in overstated Title II A costs from the central support service budget. Various other adjustments totaling \$600,000 reduced the budgeted expenses for central support service and account for the remaining difference between the adopted and amended budgets.

O – OTHER SUPPORT SERVICE

Other Support Service are activities of any supporting service or classification of services, general in nature, which cannot be classified in the preceding service areas.

The Office of Food Service reduced its budget for equipment by \$700,000. Various other adjustments totaling \$150,000 decreased the budgeted expenses for other support service and account for the remaining difference between the adopted and amended budgets.

P – COMMUNITY SERVICE

Community Services consist of those activities that are not directly related to providing education for pupils in a school system. These include services provided by the school system for the community as a whole or some segment of the community, such as community recreation programs, civic activities, public libraries, programs of custody and care of children, and community welfare activities.

Curriculum increased its staff development and training budget by \$1.0 million. Various other adjustments totaling \$200,000 increased the budgeted expenses for community service and account for the remaining difference between the adopted and amended budgets.

Q – DEBT SERVICE

Increase in final amended budget is due to the retirement of SANs and processing of the final payment of \$8.4 million.

R – PROCEEDS FROM THE SALE OF CAPITAL ASSETS AND OTHER

The FY2012 final amended budget reflects a revenue increase of \$0.6 million from various services provided to charter schools.

S – PROCEEDS FROM SETTLEMENT

The District anticipated a \$21.3 million expense related to the loss of State Aid for days where student attendance was below 75% in the adopted budget. After a detailed analysis, it was determined that the expense is only about \$4.3 million. In addition, it was anticipated the entire amount would be due in FY2012. However, the District and the State of Michigan agreed to four-year payment plan (\$1.1 million annually). This results in a FY2012 savings of \$4.2 million.

T – TRANSFERS IN AND TRANSFERS OUT

Based on the data available, the adopted budget has \$7.8 million in indirect costs. However, as more information became available, the budget for indirect costs has been reduced by \$1.9 million to \$5.9 million. Also, due to the reduction in current year revenues the transfer to the Special Education was increased by \$2.7 million.



U – PRIOR YEAR ADJUSTMENTS

FY2012 Final Amended Budget reflects a fine for non-compliance on the 75% Student Attendance rule with the State of Michigan (MDE). Per MDE guidance it is recorded as an Other Financial Use item.



EXPENDITURES - by OBJECT

FUND 11 (GENERAL FUND)

V – PERSONNEL

Personnel costs include salaries, fringe benefits, insurances, pension and taxes.

The District has increased the budget for the Termination Incentive Payments (TIP) by \$2.7 million. This is offset by a transfer of \$10.9 million from fringe benefits (insurance, pension, taxes and unemployment insurance) to cover other increases in the supplies and debt service budgets. Various other adjustments totaling \$200,000 decreased the budget for personnel and account for the remaining difference between the February and June amended budgets.

W – PURCHASED SERVICES

Purchased services are amounts paid for services rendered by persons who are not on the District's payroll.

The following purchased services budgets have been reduced by a cumulative \$7.3 million:

- Office of the Chief Human Resources Officer - \$2.1 million
- Physical Plant Operations - \$2.0 million
- Division of Information Technology - \$1.7 million
- Office of Budget - \$1.5 million

Various other adjustments totaling \$1.8 million increased the budget for purchased services and account for the remaining difference between the February and June amended budgets.

X – SUPPLIES

Supplies are items that are consumed, worn out or deteriorate in use.

The Teaching/Testing Supplies has been increased by \$6.4 million with the goal of increasing student achievement. Various other adjustments totaling \$1.7 million decreased the budget for supplies and account for the remaining difference between the February and June amended budgets.

Y - EQUIPMENT AND CAPITAL

Equipment and Capital Outlay are expenditures for land or existing buildings, improvements of grounds, construction of buildings, additions to buildings, remodeling of buildings, initial equipment, additional equipment and replacement of equipment.

The District has reduced the budget for classroom equipment by \$90,000 and copiers by \$46,000.



Z – UTILITIES

Utilities are expenditures for services usually provided by public companies such as water, sewage, and garbage collection. In addition, expenditures for energy, including natural gas, electricity, bottled gas, fuel, oil, coal and gasoline received from public or private utility companies are classified as utilities.

The District transferred \$1,400 from the telephone budget to fund other District initiatives.

AA – RESTRICTED

Restricted budgets are expenses which are not available to schools or departments without Division of Finance intervention.

The restricted budget has been increased by the \$1.0 million owed to the State of Michigan for the failing student attendance threshold. Various other adjustments totaling \$200,000 increased the budget for restricted expenses and account for the remaining difference between the February and June amended budgets.

AB – PRINCIPAL & INTEREST

Increase in final amended budget is due to the retirement of SANs and processing of the final payment worth \$8.4 million.

AC – TRANSFERS

The transfer to Special Education has been increased by \$2.6 million.

FUND 13 (ADULT EDUCATION)

AD – PERSONNEL

The District outsourced janitors and building engineers. As a result, funds budgeted to pay Community Use for after school programs must be budgeted in a purchased services account instead of a salary account. This decreased the personnel budget by \$10,000.

AE – PURCHASED SERVICES

The District outsourced janitors and building engineers. As a result, funds budgeted to pay Community Use for after school programs must be budgeted in a purchased services account instead of a salary account. This increased the purchased services budget by \$10,000.

FUND 14 (GRANTS)

AF - PERSONNEL

The personnel budget for Section 31A has been increased by \$ 9.2 million to fund Summer School programs, Head Start, Attendance Agents, and Social Workers. Conversely, Title II A Carry Over



revenue was overstated in the amended budget, and the Title II A personnel budget has been reduced by \$19.1 million. In addition, the CTE Perkins Title II personnel budget has declined by \$1.1 million due to a re-alignment of the Office of College and Career Readiness department. Various other adjustments totaling \$2.9 million decreased the budgeted expenses for personnel and account for the remaining difference between the February and June amended budgets.

AG – PURCHASED SERVICES

With the goal of increasing student achievement, \$3.8 million was transferred from Title I A to provide funds for after school instruction in the core areas of ELA, Math, Science and Social Studies. In addition, the Title II Part A purchased services budget was increased by \$3.8 million to provide Consulting Services for Training and Software, improving Teacher effectiveness and to monitor private-non profit (PNP) expenditures. Furthermore, the Section 31A Summer School Transportation budget has been increased by \$700,000. Various other adjustments totaling \$300,000 decreased the budgeted expenses for purchased services and account for the remaining difference between the February and June amended budgets.

AH – SUPPLIES

Curriculum transferred \$1.0 million in Section 31A dollars to fund summer school supplies for nurses. Various other adjustments totaling \$400,000 decreased the budgeted expenses for supplies and account for the remaining difference between the February and June amended budgets.

AI – EQUIPMENT AND CAPITAL

Specialized Student Services decreased the IDEA Flowthrough supply budget by \$100,000. Various other adjustments totaling \$30,000 decreased the budgeted expenses for equipment and capital and account for the remaining difference between the February and June amended budgets.

AJ – UTILITIES

Available telephone expenditure budgets totaling \$4,500 were transferred to supplies to provide materials for after school programs.

AK – RESTRICTED

Section 31A funds were transferred from restricted expenses to increase the summer school budget by \$8.7 million and the Head Start budget by \$1.4 million. Various other adjustments totaling \$1.5 million decreased the budget for restricted expenses and account for the remaining difference between the February and June amended budgets.

AL – TRANSFERS

As the budgets were re-aligned to be in compliance with MEGS approved budgets, the budget for Title I A indirect costs was decreased by \$2.7 million. This is offset by a decrease in the Title II A indirect cost budget of \$580,000. Various other alignments totaling \$300,000 increased the budget for indirect costs and account for the remaining difference between the February and June amended budgets.



FUND 16 (SPECIAL EDUCATION CENTER BASED PROGRAMS)

AM – PERSONNEL

Specialized Student Services has revised their revenue projections for the Special Education Millage. The projected Fund 16 revenue has declined by \$15.2 million because the District is expected to receive fewer funds from Wayne County and due to the number of vacant positions on Fund 16. Consequently, the budgeted personnel expenditures for Fund 16 have been reduced by \$11.0 million.

AN – PURCHASED SERVICES

Health Services' (Nurses and Physical Therapists) purchased services budget has been decreased by \$44,000 to cover personnel expenses.

FUND 18 (ARRA)

AO – PERSONNEL

Since the February amendment, the District removed \$10.0 million in salaries and benefits for teachers and instructional specialists charged to the Title I ARRA grant.

AP – PURCHASED SERVICES

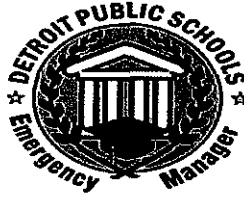
The District has removed purchased services totaling \$1.3 million from the Title I ARRA budget. Various other adjustments totaling \$450,000 increased the budget for purchased services and account for the remaining difference between the February and June amended budgets.

AQ – SUPPLIES

During the alignment of the FY2012 Mini School Improvement Grant (SIG II) budget to the MEGS approved budget, the District added \$430,000 to the supplies budget. Various other adjustments totaling \$250,000 decreased the budget for supplies and account for the remaining difference between the February and June amended budgets.

AR – EQUIPMENT AND CAPITAL

During the alignment of the FY2012 Mini School Improvement Grant (SIG II) budget to the MEGS approved budget, the District added \$66,000 to the equipment and capital budget. Various other adjustments totaling \$25,000 increased the budget for equipment and capital and account for the remaining difference between the February and June amended budgets.



FUND 22 (SPECIAL EDUCATION)

AS – PERSONNEL

Specialized Student Services has revised their revenue projections for Special Education. The projected Fund 22 revenue has declined by \$6.5 million because the District is expected to receive fewer funds from the State of Michigan and due to the number of vacant positions on Fund 22. Consequently, the budgeted personnel expenditures for Fund 22 have been reduced by \$5.3 million.

AT – PURCHASED SERVICES

Due to the declining Fund 22 revenue, the purchased services budget has been reduced by \$2.2 million.

AU – SUPPLIES

Due to the declining Fund 22 revenue, the supplies budget has been reduced by \$460,000.

AV – EQUIPMENT AND CAPITAL

Due to the declining Fund 22 revenue, the supplies budget has been reduced by \$1,100.

FUND 25 (FOOD SERVICE)

AW – PERSONNEL

The personnel budget has been reduced by \$1.1 million to help fund additional food deliveries.

AX – PURCHASED SERVICES

The Office of Food Service's purchased services budget has increased by \$49,000 to fund conference expenses, equipment maintenance and permits.

AY – SUPPLIES

The Office of Food Service has transferred \$1.8 million to their supplies budget to fund food deliveries.

AZ – EQUIPMENT AND CAPITAL

The equipment budget has been reduced by \$700,000 to help fund additional food costs.