

# DETROIT PUBLIC SCHOOLS

**William E. Aldridge, CPA**  
*Chief Financial and Administrative Officer*



*Division of Finance*  
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Detroit, MI 48202

November 25, 2013

Mr. Daniel Hanrahan, Director State Aid and School Finance  
Michigan Department of Education  
608 West Allegan Street  
Lansing, Michigan 48909

Re: 2nd Amendment to the FY 2014 Budget

Dear Mr. Hanrahan:

Attached is the 2nd<sup>d</sup> Amendment to the FY 2014 Budget for the School District of the City of Detroit. This amendment is based on a comprehensive review and analysis of actual and projected financial data and information. Also provided is the Order from the Emergency Manager amending the School District of the City of Detroit's FY 2014 Budget. This budget amendment aligns the District's budget with current information and reduces the effect of the increase in the deficit reported at June 30, 2013.

If you have any questions or would like to discuss this matter, please contact me at (313) 873- 4147.

Respectfully submitted,

William E. Aldridge, CPA  
Chief Financial and Administrative Officer

cc: Michael P. Flanagan, Superintendent of Public Schools  
Thomas F. Saxton, Deputy State Treasurer, Department of Treasury  
Carol Wolenberg, Deputy Superintendent Office of School Aid and School Finance  
Glenda Rader, Asst. Director State Aid & School Finance  
Jack Martin, Emergency Manager  
Kevin Smith, Chief of Staff – Emergency Manager  
Jean-Vierre Adams, General Counsel  
Delores A. Brown, Deputy CFO/Chief Accounting Officer  
Dennis L. Johnson, Executive Director – Office of Management and Budget



Order 2014-EMJM-11

**ORDER**

**ADOPTING THE SECOND AMENDED FISCAL YEAR 2013-2014 BUDGET FOR THE SCHOOL DISTRICT OF THE CITY OF DETROIT**

BY THE POWER AND AUTHORITY VESTED IN  
THE EMERGENCY MANAGER FOR THE  
SCHOOL DISTRICT OF THE CITY OF DETROIT, MICHIGAN (“EMERGENCY  
MANAGER”) THROUGH MICHIGAN COMPILED LAWS  
 (“MCL”) §§ 380.1 – 380.1853, 388.160 – 388.1772, 141.1541 et. seq., 423.201 – 423.217  
 AND 38.71 – 38.191, THE EMERGENCY MANAGER, JACK MARTIN  
 HEREBY ISSUES THE FOLLOWING

**Whereas** on March 28, 2013, the Local Financial Stability and Choice Act, Public Act 436 of 2012, ( “Public Act 436”) became effective and was enacted to, among other matters, safeguard and assure the financial accountability of local units of government and school districts; to preserve the capacity of local units of government and school districts to provide or cause to be provided necessary services essential to the public health, safety, and welfare; to provide for review, management, planning, and control of the financial operation of local units of government and school districts and the provision of services by local units of government and school districts; to provide for the appointment and to prescribe the powers and duties of an emergency manager for a local unit of government or school district; and to provide for the modification or termination of contracts under certain circumstances; and

**Whereas**, pursuant to that certain contract titled *Contract For Emergency Manager Services* dated July 15, 2013, between Governor Rick Snyder and Jack Martin (“Martin”), Martin was appointed as the Emergency Manager under Public Act 436 for the School District of the City of Detroit (the “District”); and

**Whereas**, pursuant to Public Act 436, the Emergency Manager acts in place of the governing body, specifically the Detroit Board of Education (the “Board”) and the Chief Administrative Officer of the District, and unless the Emergency Manager delegates specific authority, the Emergency Manager is empowered to exercise any powers of the Chief

Administrative Officer and/or the Board under the Revised School Code, State School Aid Act or any other law which prescribes authority to the local Superintendent or school board; and

**WHEREAS**, the District's Fiscal Year 2013 - 2014 Budget was approved as of June 28, 2013 by the Emergency Manager, to be effective as of July 1, 2013 (the "2014 Budget"); and

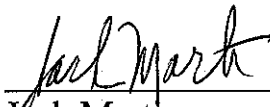
**WHEREAS**, the 2014 Budget may be revised and/or amended to more accurately reflect the changes in revenues and/or expenditures as deemed necessary by the Emergency Manager in accordance with MCL § 141.1552(1)(b); and

**WHEREAS**, the 2014 Budget was previously amended by that certain Order 2014 - EMJM-08 Adopting the Amended Fiscal Year 2013-2014 Budget for the School District of the City of Detroit dated November 6, 2013; and

**WHEREAS**, the Emergency Manager has deemed it necessary to further revise and amend the FY 2014 Budget as more particularly set forth in the Second Amended FY2014 Budget for the School District of the City of Detroit attached hereto as Exhibit "A" (the "Second Amended Fiscal Year 2013- 2014 Budget").

**NOW, THEREFORE IT IS HEREBY ORDERED THAT:**

1. Pursuant to the powers granted under Public Act 436, the Emergency Manager hereby adopts the Second Amended FY 2013-2014 Budget in the form attached hereto as Exhibit "A".
2. Pursuant to Public Act 436, this Order is issued and directed to the Board, all administrators of the District and all employees of the District.
3. This Order may be amended, modified, repealed or terminated by any subsequent Order issued by the Emergency Manager.

By:   
\_\_\_\_\_  
Jack Martin  
Emergency Manager

Dated: November 19, 2013 School District of the City of Detroit

# **Exhibit A**



TO: Jack Martin, Emergency Manager

FROM: William E. Aldridge, CPA, Chief Financial and Administrative Officer

SUBJECT: Fiscal Year 2014 Budget Amendment # 2

DATE: November 19, 2013

CC: Kevin A. Smith, Esq., Chief of Staff

Delores A. Brown, Deputy Chief Financial Officer/Chief Accounting Officer

Dennis L. Johnson, Executive Director, Office of Management & Budget

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The Fiscal Year 2013-2014 (FY 2014) budget amendment No. 2 is based on a comprehensive review of actual and projected financial data and information. The following is a summary of the recommended significant changes to the General Fund Budget by function since budget amendment No. 1. Significant changes are defined as variances greater than or equal to 10% or variances greater than or equal to \$1,000,000.

#### REVENUES

**Property Taxes** – Anticipated property tax revenues have increased \$1.9 million because of enhanced administrative controls and an expected reduction in charge-backs.

**Other Local Sources** – The District anticipates an additional \$1.0 million in school property rentals. The Educational Achievement Authority (EAA) code violation repair costs off-sets are expected to decline by the same amount resulting in the additional income. Community Use revenues are expected to increase \$400,000 with the implementation of Community Schools expansion of food services to K-8 and K-8 athletic participants. Various other minor adjustments totaling \$26,000 account for the total change in this category.

**State Sources** – Budget amendment No. 2 is based on a blended count of 48,876, a gain of 97 students over the first budget amendment. Therefore, the Prop A Obligation and Discretionary Payment budgets have been increased by an aggregate \$1.1 million. In addition, the District expects to generate \$951,000 in revenues under Section 25e of the State School Aid Act of 1979 from students transferring to the District after the Fall Count Day. These increases are offset by declines in the Renaissance Zone (\$335,000) and Vocational Education (\$310,000) budgets per the October 2013 State Aid Financial Status Report. Various other minor adjustments totaling (\$24,000) account for the total change in this category.



## EXPENDITURES

**Instructional Staff Support** - The Self-Governed Schools budget has been increased by \$1.0 million to cover a projected shortfall. The workshop budget has been increased by \$280,000 attributed to Title IIa and the School Improvement Grants (SIG). The SIG budget for staff development and training has been increased by \$230,000. Various other adjustments totaling \$228,000 account for the total change in this category.

**General Administration** - The first budget amendment assumed central administrative staff would have biweekly furlough days beginning in November. Based on the steps and time required to implement a furlough plan for union members, the District has decided not to include furlough savings in the FY 2014 budget. As a result, personnel costs have increased \$550,000. Various other minor adjustments totaling \$50,000 account for the total change in this functional category.

**Business Office** – Personnel costs have increased by \$1.0 million because the District is no longer implementing a biweekly furlough plan. Furthermore, the first budget amendment assumed all General Purpose central administrative vacancies would be eliminated for the remainder of the fiscal year. However, three positions needed to be restored to the budget at a cost of \$245,000. Moreover, the first budget amendment assumed central administrative staff would be laid off by November 1, 2013. Budget amendment No. 2 assumes the layoffs beginning in January 2014. Therefore, personnel costs have increased by \$94,000. Various other minor adjustments totaling \$251,000 account for the total change in this functional category.

**Central Support Service** – Technology and Information Systems' budget has been increased by \$2.9 million as the District upgrades its computer operating system from Microsoft XP and the PeopleSoft 9.2 Implementation. The Wayne RESA Outsourcing budget has been increased \$350,000 to match the adopted budget. Various other minor adjustments totaling (\$105,000) account for the total change in this functional category.

**Other Support Services** – Since the first budget amendment, the District has realigned the budget for the United Auto Workers (UAW) funding. During the realignment, (\$428,000) was moved from Other Support Services to Instruction and Instructional Staff Support. Various other minor adjustments totaling (\$8,000) account for the total change in this functional category.

## OTHER FINANCING SOURCES (USES)

**Proceeds from sale of capital assets** – Based on the latest analysis provided by the Operations Group, the District is projecting to generate \$6.3 million in real estate sales, an increase of \$4.1 million.

**Prior Year Adjustments** – The District has revised its Prior Year Medicaid deduction calculation. As a result, the Act 18 Prior Year Adjustment budget has decreased (\$1.5 million).

**DETROIT PUBLIC SCHOOLS  
GENERAL FUND  
BUDGET AMENDMENT # 2  
YEAR ENDING JUNE 30, 2014**

|  | FY 2014 Amended<br>Budget     | Budget<br>Amendment # 2<br>Increase<br>(Decrease) | FY 2014 Amended<br>Budget     |
|--|-------------------------------|---|-------------------------------|
| <b>Revenue:</b>  |                               |   |                               |
| Local sources  |                               |   |                               |
| Special education millage  | \$ 44,193,718                 | \$ -  | \$ 44,193,718                 |
| Property Taxes   | 66,557,170                    | 1,900,000   | 68,457,170                    |
| Other  | 32,336,831                    | 1,426,011   | 33,762,842                    |
| Total local sources  | <u>143,087,719</u>            | <u>3,326,011</u>                                  | <u>146,413,730</u>            |
| State sources  | 356,666,525                   | 1,382,720   | 358,049,245                   |
| Federal sources  | <u>191,651,765</u>            | <u>12,000</u>                                     | <u>191,663,765</u>            |
| <b>Total Revenue</b>   | <b><u>691,406,009</u></b>     | <b><u>4,720,731</u></b>                           | <b><u>696,126,740</u></b>     |
| <b>Expenditures:</b>   |                               |   |                               |
| Instruction  | <u>334,493,210</u>            | <u>889,170</u>                                    | <u>335,382,380</u>            |
| Support services   |                               |   |                               |
| Pupil services   | 59,263,813                    | 227,939   | 59,491,752                    |
| Instructional staff support  | 66,468,062                    | 1,738,200   | 68,206,262                    |
| General administration   | 5,759,244                     | 599,628   | 6,358,872                     |
| School administration  | 34,399,018                    | 100,187   | 34,499,205                    |
| Business office  | 5,815,545                     | 1,589,659   | 7,405,204                     |
| Operations & maintenance   | 67,436,250                    | 359,956   | 67,796,206                    |
| Transportation   | 24,400,581                    | 254,342   | 24,654,923                    |
| Central support service  | 27,927,786                    | 3,144,763   | 31,072,549                    |
| Other support service  | <u>1,312,322</u>              | <u>(436,089)</u>                                  | <u>876,233</u>                |
| Total support services   | <u>292,782,621</u>            | <u>7,578,585</u>                                  | <u>300,361,206</u>            |
| Community service  | <u>4,541,799</u>              | <u>115,522</u>                                    | <u>4,657,321</u>              |
| Facilities acquisitions and improvement  | <u>-</u>                      | <u>-</u>  | <u>-</u>                      |
| Debt service   | <u>56,329,265</u>             | <u>-</u>  | <u>56,329,265</u>             |
| <b>Total Expenditures</b>  | <b><u>688,146,895</u></b>     | <b><u>8,583,277</u></b>                           | <b><u>696,730,172</u></b>     |
| <b>Other Financial Sources (Uses)</b>  |                               |   |                               |
| <b>Sources</b>   |                               |   |                               |
| Proceeds from sale of capital assets   | 2,343,000                     | 4,111,000   | 6,454,000                     |
| Transfers In   | 89,124,844                    | 141,044   | 89,265,888                    |
| <b>Total Sources</b>   | <u>91,467,844</u>             | <u>4,252,044</u>                                  | <u>95,719,888</u>             |
| <b>Uses</b>  |                               |   |                               |
| Transfers Out  | (86,724,844)                  | 51,044  | (86,775,888)                  |
| Payment to bond escrow agent   | -                             | -   | -                             |
| Prior Year Adjustments   | 2,557,552                     | (1,500,000)                                       | 4,057,552                     |
| <b>Total Uses</b>  | <u>(84,167,292)</u>           | <u>(1,448,956)</u>                                | <u>(82,718,336)</u>           |
| <b>Total Other Financial Sources (Uses)</b>  | <b><u>7,300,552</u></b>       | <b><u>5,701,000</u></b>                           | <b><u>13,001,552</u></b>      |
| <b>Excess (deficiency) of Revenue and<br/>Other Sources Over (Under)<br/>Expenditures and Other Uses</b> | <b><u>10,559,666</u></b>      | <b><u>1,838,454</u></b>                           | <b><u>12,398,120</u></b>      |
| <b>Beginning Fund Balance</b>  | <b>(93,881,924)</b>           |   | <b>(93,881,924)</b>           |
| <b>Ending Fund Balance</b>   | <b><u>\$ (83,322,258)</u></b> |   | <b><u>\$ (81,483,804)</u></b> |

**DETROIT PUBLIC SCHOOLS  
REVENUES, EXPENDITURES, SOURCES AND USES - GENERAL FUND  
BUDGET AMENDMENT # 2  
YEAR ENDING JUNE 30, 2014**

|  | FY 2014 Amended<br>Budget | Budget<br>Amendment # 2<br>Increase<br>(Decrease) | FY 2014 Amended<br>Budget |
|--|---------------------------|---|---------------------------|
| <b>Fund 11 - General Purpose Fund</b>                      |                           |   |                           |
| Revenues and Sources                                       | \$ 202,509,887            | \$ 7,973,274                                      | \$ 210,483,161            |
| Expenditures and Uses                                      | 191,950,221               | 6,134,820   | 198,085,041               |
| <b>Surplus (Deficit)</b>                                   | <b>\$ 10,559,666</b>      | <b>\$ 1,838,454</b>                               | <b>\$ 12,398,120</b>      |
| <b>Fund 13 - Adult Education</b>                           |                           |   |                           |
| Revenues and Sources                                       | 4,990,624                 | -   | 4,990,624                 |
| Expenditures and Uses                                      | 4,990,624                 | -   | 4,990,624                 |
| <b>Surplus (Deficit)</b>                                   | <b>\$ -</b>               | <b>\$ -</b>                                       | <b>\$ -</b>               |
| <b>Fund 14 - Grants</b>                                    |                           |   |                           |
| Revenues and Sources                                       | 166,632,736               | 29,884  | 166,662,620               |
| Expenditures and Uses                                      | 166,632,736               | 29,884  | 166,662,620               |
| <b>Surplus (Deficit)</b>                                   | <b>\$ -</b>               | <b>\$ -</b>                                       | <b>\$ -</b>               |
| <b>Fund 18 - ARRA Stimulus</b>                             |                           |   |                           |
| Revenues and Sources                                       | 6,059,706                 | -   | 6,059,706                 |
| Expenditures and Uses                                      | 6,059,706                 | -   | 6,059,706                 |
| <b>Surplus (Deficit)</b>                                   | <b>\$ -</b>               | <b>\$ -</b>                                       | <b>\$ -</b>               |
| <b>Fund 19 - Consolidated Funds</b>                        |                           |   |                           |
| Revenues and Sources                                       | 234,591,400               | 918,573   | 235,509,973               |
| Expenditures and Uses                                      | 234,591,400               | 918,573   | 235,509,973               |
| <b>Surplus (Deficit)</b>                                   | <b>\$ -</b>               | <b>\$ -</b>                                       | <b>\$ -</b>               |
| <b>Fund 16 Special Education<br/>Center Based Programs</b> |                           |   |                           |
| Revenues and Sources                                       | 75,452,211                | (553,718)   | 74,898,493                |
| Expenditures and Uses                                      | 75,452,211                | (553,718)   | 74,898,493                |
| <b>Surplus (Deficit)</b>                                   | <b>\$ -</b>               | <b>\$ -</b>                                       | <b>\$ -</b>               |
| <b>Fund 22 - Special Education</b>                         |                           |   |                           |
| Revenues and Sources                                       | 92,637,289                | 604,762   | 93,242,051                |
| Expenditures and Uses                                      | 92,637,289                | 604,762   | 93,242,051                |
| <b>Surplus (Deficit)</b>                                   | <b>\$ -</b>               | <b>\$ -</b>                                       | <b>\$ -</b>               |



**DETROIT PUBLIC SCHOOLS  
REVENUES AND OTHER SOURCES - GENERAL FUND  
BUDGET AMENDMENT # 2  
YEAR ENDING JUNE 30, 2014**

| Fund   | FY 2014 Amended<br>Budget | Budget<br>Amendment # 2<br>Increase<br>(Decrease) | FY 2014 Amended<br>Budget |
|--|---------------------------|---|---------------------------|
| <b>Fund 11 General Purpose Fund</b>                    |                           |   |                           |
| State Aid  |                           |   |                           |
| 22a Prop A Obligation                                  | \$ 24,425,747             | \$ (376,411)                                      | \$ 24,049,336             |
| 22b Discretionary Payment                              | 50,230,308                | 562,552   | 50,792,860                |
| 152a Headlee Obligation - Adair & 94a.9                | 1,258,391                 | (32,875)  | 1,225,516                 |
| 26a Renaissance Zone                                   | 4,846,186                 | (335,138)   | 4,511,048                 |
| 22f Best Practice Incentive                            | 2,536,517                 | 5,048   | 2,541,565                 |
| 147a MPSEs Cost Offset                                 | 8,140,681                 | -   | 8,140,681                 |
| 61a Vocational Education                               | 814,757                   | (306,325)   | 508,432                   |
| Pupil Transfer Adjustment                              | 3,739                     | 947,298   | 951,037                   |
| Local  |                           |   |                           |
| Property Tax Net                                       | 66,557,170                | 1,900,000   | 68,457,170                |
| Earnings on Investments                                | 69,289                    | -   | 69,289                    |
| Medicaid Reimbursement                                 | 11,829,636                | -   | 11,829,636                |
| JROTC  | 1,056,614                 | -   | 1,056,614                 |
| Charter School Administration Fee                      | 774,750                   | -   | 774,750                   |
| Other  | 5,475,310                 | 1,408,125   | 6,883,435                 |
| Federal  |                           |   |                           |
| Indirect Cost Revenue                                  | 7,693,059                 | -   | 7,693,059                 |
| Other  |                           |   |                           |
| Services to Other Schools                              | 1,751,429                 | -   | 1,751,429                 |
| Payment from EAA - Debt Service Offset                 | 8,232,500                 | -   | 8,232,500                 |
| Payment from EAA - Services                            | 2,070,804                 | -   | 2,070,804                 |
| Proceeds from sale of capital assets and other         | 2,343,000                 | 4,111,000   | 6,454,000                 |
| Transfer from Fund 25                                  | 2,400,000                 | 90,000  | 2,490,000                 |
| <b>Total Fund 11</b>                                   | <b>202,509,887</b>        | <b>7,973,274</b>                                  | <b>210,483,161</b>        |
| <b>Fund 13 Adult Education</b>                         |                           |   |                           |
| State Aid  | 4,990,624                 | -   | 4,990,624                 |
| <b>Total Fund 13</b>                                   | <b>4,990,624</b>          | <b>-</b>  | <b>4,990,624</b>          |
| <b>Fund 14 Grants</b>                                  |                           |   |                           |
| Title I  | 57,760,802                | 12,000  | 57,772,802                |
| Title I / Title II / Title III Carryover               | 20,879,239                | -   | 20,879,239                |
| 31a At Risk  | 26,299,256                | -   | 26,299,256                |
| IDEA   | 13,318,500                | -   | 13,318,500                |
| Title II   | 18,255,551                | -   | 18,255,551                |
| Great Start Readiness                                  | 17,883,285                | -   | 17,883,285                |
| Other Grants   | 12,236,103                | 17,884  | 12,253,987                |
| <b>Total Fund 14</b>                                   | <b>166,632,736</b>        | <b>29,884</b>                                     | <b>166,662,620</b>        |
| <b>Fund 16 Special Education Center Based Programs</b> |                           |   |                           |
| Act 18   | 43,188,886                | -   | 43,188,886                |
| Follow That Child                                      | 1,004,832                 | -   | 1,004,832                 |
| Transfer from Fund 22                                  | 31,258,493                | (553,718)   | 30,704,775                |
| <b>Total Fund 16</b>                                   | <b>75,452,211</b>         | <b>(553,718)</b>                                  | <b>74,898,493</b>         |
| <b>Fund 18 ARRA Stimulus</b>                           |                           |   |                           |
| ARRA School Improvement                                | 6,059,706                 | -   | 6,059,706                 |
| <b>Total Fund 18</b>                                   | <b>6,059,706</b>          | <b>-</b>  | <b>6,059,706</b>          |
| <b>Fund 19 Consolidated Funds</b>                      |                           |   |                           |
| Transfer from Fund 11                                  | -                         | -   | -                         |
| Transfer from Fund 14                                  | -                         | -   | -                         |
| Prop A Obligation                                      | 168,926,110               | 918,573   | 169,844,683               |
| Title I  | 63,534,848                | -   | 63,534,848                |
| Title IIa  | 835,415                   | -   | 835,415                   |
| Section 31a  | 1,295,027                 | -   | 1,295,027                 |
| <b>Total Fund 19</b>                                   | <b>234,591,400</b>        | <b>918,573</b>                                    | <b>235,509,973</b>        |
| <b>Fund 22 Special Education</b>                       |                           |   |                           |
| State Aid  | 44,863,997                | -   | 44,863,997                |
| Transfer from Fund 11                                  | 40,062,592                | 604,762   | 40,667,354                |
| Transfer from Fund 16                                  | 7,720,700                 | -   | 7,720,700                 |
| <b>Total Fund 22</b>                                   | <b>92,637,289</b>         | <b>604,762</b>                                    | <b>93,242,051</b>         |
| <b>Total</b>   | <b>\$ 782,873,853</b>     | <b>\$ 8,972,775</b>                               | <b>\$ 791,846,628</b>     |

**DETROIT PUBLIC SCHOOLS  
EXPENDITURES AND OTHER USES - GENERAL FUND  
BUDGET AMENDMENT # 2  
YEAR ENDING JUNE 30, 2014**

|  | FY 2014<br>Amended<br>Budget | Budget<br>Amendment # 2<br>Increase<br>(Decrease) | FY 2014<br>Amended<br>Budget |
|--|------------------------------|---|------------------------------|
| <b>Fund 11 General Purpose Fund</b>                    |                              |   |                              |
| Personnel  | \$ 24,303,751                | \$ 1,258,112                                      | \$ 25,561,863                |
| Purchased Services                                     | 71,412,465                   | 4,328,635   | 75,741,100                   |
| Supplies   | 2,545,158                    | (56,689)  | 2,488,469                    |
| Equipment & Capital                                    | (238,239)                    | -   | (238,239)                    |
| Utilities  | 16,436,978                   | -   | 16,436,978                   |
| Restricted   | (18,891,749)                 | -   | (18,891,749)                 |
| Principal & Interest                                   | 56,329,265                   | -   | 56,329,265                   |
| Transfers  | 40,052,592                   | 604,762   | 40,657,354                   |
| <b>Total Fund 11</b>                                   | <b>191,950,221</b>           | <b>6,134,820</b>                                  | <b>198,085,041</b>           |
| <b>Fund 13 Adult Education</b>                         |                              |   |                              |
| Personnel  | 3,416,261                    | 39,561  | 3,455,822                    |
| Purchased Services                                     | 936,600                      | 60,939  | 997,539                      |
| Supplies   | 594,763                      | (100,500)   | 494,263                      |
| Equipment & Capital                                    | 43,000                       | -   | 43,000                       |
| <b>Total Fund 13</b>                                   | <b>4,990,624</b>             | <b>-</b>  | <b>4,990,624</b>             |
| <b>Fund 14 Grants</b>                                  |                              |   |                              |
| Personnel  | 122,044,355                  | 314,288   | 122,358,643                  |
| Purchased Services                                     | 28,297,357                   | (300,589)   | 27,996,768                   |
| Supplies   | 8,264,395                    | 16,185  | 8,280,580                    |
| Equipment & Capital                                    | 242,976                      | -   | 242,976                      |
| Utilities  | 90,594                       | -   | 90,594                       |
| Transfers  | 7,693,059                    | -   | 7,693,059                    |
| <b>Total Fund 14</b>                                   | <b>166,632,736</b>           | <b>29,884</b>                                     | <b>166,662,620</b>           |
| <b>Fund 16 Special Education Center Based Programs</b> |                              |   |                              |
| Personnel  | 51,053,934                   | 946,282   | 52,000,216                   |
| Purchased Services                                     | 3,247,200                    | -   | 3,247,200                    |
| Supplies   | 507,640                      | -   | 507,640                      |
| Equipment & Capital                                    | 200,534                      | -   | 200,534                      |
| Transfers  | 7,720,700                    | -   | 7,720,700                    |
| Restricted   | 12,722,203                   | (1,500,000)                                       | 11,222,203                   |
| <b>Total Fund 16</b>                                   | <b>75,452,211</b>            | <b>(553,718)</b>                                  | <b>74,898,493</b>            |
| <b>Fund 18 ARRA Stimulus</b>                           |                              |   |                              |
| Personnel  | 3,876,079                    | (637,699)   | 3,238,380                    |
| Purchased Services                                     | 1,774,312                    | 569,966   | 2,344,278                    |
| Supplies   | 139,516                      | 68,233  | 207,749                      |
| Equipment & Capital                                    | 269,799                      | (500)   | 269,299                      |
| <b>Total Fund 18</b>                                   | <b>6,059,706</b>             | <b>-</b>  | <b>6,059,706</b>             |
| <b>Fund 19 Consolidated Funds</b>                      |                              |   |                              |
| Personnel  | 204,776,832                  | (279,655)   | 204,497,177                  |
| Purchased Services                                     | 21,724,685                   | 1,222,195   | 22,946,880                   |
| Supplies   | 7,896,191                    | (23,967)  | 7,872,224                    |
| Equipment & Capital                                    | 193,692                      | -   | 193,692                      |
| <b>Total Fund 19</b>                                   | <b>234,591,400</b>           | <b>918,573</b>                                    | <b>235,509,973</b>           |
| <b>Fund 22 Special Education</b>                       |                              |   |                              |
| Personnel  | 52,901,379                   | 1,158,480   | 54,059,859                   |
| Purchased Services                                     | 3,088,266                    | -   | 3,088,266                    |
| Supplies   | 886,000                      | -   | 886,000                      |
| Equipment & Capital                                    | 68,000                       | -   | 68,000                       |
| Transfers  | 31,258,493                   | (553,718)   | 30,704,775                   |
| Restricted   | 4,435,151                    | -   | 4,435,151                    |
| <b>Total Fund 22</b>                                   | <b>92,637,289</b>            | <b>604,762</b>                                    | <b>93,242,051</b>            |
| <b>Total</b>   | <b>\$ 772,314,187</b>        | <b>\$ 7,134,321</b>                               | <b>\$ 779,448,508</b>        |

**DETROIT PUBLIC SCHOOLS  
FOOD SERVICE FUND  
BUDGET AMENDMENT # 2  
YEAR ENDING JUNE 30, 2014**

|   | FY 2014 Amended<br>Budget | Budget<br>Amendment # 2<br>Increase<br>(Decrease) | FY 2014 Amended<br>Budget |
|---|---------------------------|---|---------------------------|
| <b>Revenue:</b>   |                           |   |                           |
| Local sources   |                           |   |                           |
| Special education millage   | \$ -                      | \$ -  | \$ -                      |
| Property Taxes  | -                         | -   | -                         |
| Other   | 1,638,850                 | -   | 1,638,850                 |
| <b>Total local sources</b>  | <b>1,638,850</b>          | <b>-</b>  | <b>1,638,850</b>          |
| State sources   | 1,122,000                 | -   | 1,122,000                 |
| Federal sources   | 43,588,821                | -   | 43,588,821                |
| <b>Total Revenue</b>  | <b>46,349,671</b>         | <b>-</b>  | <b>46,349,671</b>         |
| <b>Expenditures:</b>  |                           |   |                           |
| Support services  |                           |   |                           |
| Personnel   | 19,576,942                | 156,400   | 19,733,342                |
| Purchased Services  | 2,464,886                 | -   | 2,464,886                 |
| Supplies  | 23,023,672                | -   | 23,023,672                |
| Equipment & Capital   | 5,284,171                 | (156,400)   | 5,127,771                 |
| <b>Total support services</b>                                       | <b>50,349,671</b>         | <b>-</b>  | <b>50,349,671</b>         |
| <b>Total Expenditures</b>   | <b>50,349,671</b>         | <b>-</b>  | <b>50,349,671</b>         |
| <b>Other Financial Sources (Uses)</b>                               |                           |   |                           |
| <b>Uses</b>   |                           |   |                           |
| Transfers Out   | (2,400,000)               | -   | (2,400,000)               |
| Prior Year Surplus  | 6,400,000                 | -   | 6,400,000                 |
| <b>Total Uses</b>   | <b>4,000,000</b>          | <b>-</b>  | <b>4,000,000</b>          |
| <b>Total Other Financial Sources (Uses)</b>                         | <b>4,000,000</b>          | <b>-</b>  | <b>4,000,000</b>          |
| <b>Excess (deficiency) of Revenue Over<br/>(Under) Expenditures</b> | <b>-</b>                  | <b>-</b>  | <b>-</b>                  |
| <b>Beginning Fund Balance</b>                                       | <b>10,498,385</b>         |   | <b>10,498,385</b>         |
| <b>Ending Fund Balance</b>  | <b>\$ 10,498,385</b>      |   | <b>\$ 10,498,385</b>      |