



Michigan School Business Officials

ANNUAL

REPORT

2010-11





MSBO's role has always been to serve the multifaceted interests of education. It is our intent to serve all of our members to the best of our ability, to provide a forum for the exchange of ideas, and to provide opportunities for our members to expand their professional horizons in the public education sector.

MSBO is recognized as an education leader. This 2010-11 MSBO Annual Report provides a snapshot of the quality programs, workshops and products and services that MSBO offers members.

If you have any questions concerning the 2010-2011 Annual Report, please contact MSBO Executive Director David Martell or me.

Jeff Crouse
MSBO President
2011-2012

MSBO Mission

The Mission of MSBO is to continually improve the leadership of and management in school business and operational services, while enhancing the professional, social, and economic well-being of its members.

2010-11 Board of Directors

The MSBO Board is a non-paid board consisting of nine voting members plus an Associate Member Representative and MSBO's Executive Director. The Board meets regularly throughout the school year and oversees the Michigan School Business Officials. The MSBO Board accepted the resignation of board member Mitch Bart in July 2010

when he retired from his position at Kent ISD. Steve Ezikian, Associate Superintendent for Administrative and Financial Services at Wayne County RESA was selected by the board to fill the open seat on the MSBO Board of Directors in September 2010.

Officers



2010-11 President

Darcie Birkett, CFO

Assistant Superintendent, Business Services
Ottawa ISD



2010-11 President-Elect

Jeffrey P. Crouse, CFO

Chief Financial Officer
Charlevoix-Emmet ISD



2010-11 Immediate Past President

Michael M. Adamczyk, RSBA, CFO

Assistant Superintendent, Business Services
Troy School District



Executive Director

David Martell, CPA, CFO

Executive Director
MSBO

Directors



Mitchell Bart, MM, CFD

Served 2010-July 2011
Facilities/Purchasing Director
Kent ISD



Steve Ezikian

Associate Superintendent/
Administration & Financial Services
Wayne RESA



Angie McArthur, CFO

Superintendent
Engadine Consolidated Schools



Tamera L. Powers, CFO

Finance Director
Kenowa Hills Public Schools



Mary A. Reynolds, CFO

Executive Director, Business Services
Farmington Public Schools



Daniel B. Romzek, CPA, CFO

Finance/Operations Director
Davison Community Schools



Cheryl S. Wald, CPA, CFO

Financial Services Supervisor
Howell Public Schools



Associate Member Representative

Brenda Voutyras

Senior Vice President & Manager
Stifel, Nicolaus & Company,
Incorporated

2010-11 Regional Presidents

Allegan County

Amy Christman, CFO
Allegan Public Schools

Berrien/Cass/Van Buren

John Ruddell, CPA, CFO
St. Joseph Public Schools

Central Michigan

Darryl Sydloski, CFO
Maple Valley Schools

Genesee Area

Fletcher Spears, III
Clio Area Schools

Grand Valley

Kathi Wood
Kelloggsville Public Schools

Macomb/St. Clair County

Neil Cassabon
Warren Woods Public Schools

Middle Michigan

Kevin Kolb, CFO
Shepherd Public Schools

Monroe/Lenawee

Sharon Smith, CFO
Sand Creek Community Schools

Mid-West Michigan

Mark Higgins
Montabella Community Schools

Northern Michigan

Anthony Suszek, CFO
Alpena-Montmorency-Alcona ESD

Northwest Michigan

Mary Scobey, CFO, BOM
Kalkaska Public Schools

Oakland County

Gail Credit, CFO
Novi Community Schools

Saginaw Valley

Scott Sawyer
Birch Run Area Schools

South Central

Amy Jones
Lakeview School District

Southwestern

Mary Reaume
Mattawan Consolidated Schools

Thumb Region

Mike Klosowski
Elkton-Pigeon-Bay Port Laker
Schools

Upper Peninsula

Kathleen Stankewicz
Forest Park Schools

Washtenaw/Livingston

Nancy Hoover
Ann Arbor Public Schools

Wayne County

Lisa Abbey, CPA
Livonia Public Schools

Western Area

Elizabeth Broderick, CFO
Saugatuck Public Schools

2010-11 Program & Research/Administrative Committee Chairs

Facilities Management

Joe McGinness
Facilities Director
Lake City Area Schools

Food Service

Terri Sincock, CFS
Food Service Director
Hartland Consolidated Schools

Intermediate School District

Dennis J. Rogoszewski, CPA, CFO
Assoc. Superintendent, Finance
Gratiot-Isabella RESD

Professional Development

Suzanne M. Millon, RSBO, CFO
Finance/Business Opns. Dir.
Eastern Upper Peninsula ISD

School Finance Services

Hal Davis, CFO
Asst. Supt., Business/Operations
Dowagiac Union Schools

Technology

David J. Palme, STM
Technology Director
Portland Public Schools

Transportation

Lori Richardson
Transportation Svcs. Prog. Dir.
Oakland Schools

Audit

Paul Bodiya, CPA
Chief Financial Officer
Macomb ISD

Bylaws and Resolutions

Mike Hagerty, CFO
Asst. Superintendent, Finance
Kent ISD

Elections

Diane Warren, RSBO
Finance Director
Shiawassee RESD

Membership

Steven Lenar, CFO
Asst. Supt., Admin. Services
Holly Area Schools

Nominations

Michael M. Adamczyk, RSBA, CFO
Asst. Supt. for Business and
Auxiliary Services
Comm. Consolidated Sch. Dist. 15

Total 2010-11 membership includes 2,066 Active Members in the following categories:

Active Members are employed by a Michigan school, college or university, or state agency. Membership is individual and remains with the member. Associate Members are employed in a business, not an educational institution. All Associate Members are included on the School Purchasing Pages.

| | |
|----------------------------------|--------------|
| Accounting..... | 340 |
| Business Office..... | 858 |
| Facilities..... | 261 |
| Food Service..... | 78 |
| Human Resources..... | 78 |
| Public Safety..... | 2 |
| Purchasing..... | 28 |
| Superintendent..... | 69 |
| Technology..... | 107 |
| Transportation..... | 245 |
| Total Active Members..... | 2,066 |

There are 569 Associate Members.

School Business Official of the Year: Lori Richardson, Oakland Schools

Distinguished Service Award:

Robert L. Burgess, Lakeshore Public Schools

Denise L. Robinson, Mecosta-Osceola ISD

President's Award: Douglas L. Derks, Gallagher Benefit Services

Piper Scholarship:

Karen Henning, Warren Consolidated Schools

Stacy Ritchie, Decatur Public Schools

MSBO has created awards to help school districts celebrate successes and to recognize the extraordinary contribution of individuals to their school district and MSBO



MSBO Voluntary Certification

MSBO certification is a voluntary system, established in 1998. It provides focused training to school business officials in order to:

- Offer practical information that will help school business officials succeed and excel in their employment; and,
- Establish a basis for advancing professionalism of school business officials and assuring school districts that current or prospective business officials have a base of knowledge about laws, regulations, and procedures for functioning in a Michigan school district.

The program is endorsed by both the Michigan Association of School Boards (MASB) as well as the Michigan Association of School Administrators (MASA). MSBO offers 12 separate tracks.

Through the years, more than 1,800 members have earned a MSBO Voluntary Certification Award.

| Certification Track | Awarded 2010-11 | Total Currently Certified |
|--|-----------------|---------------------------|
| Chief Financial Officer (CFO): | 15 | 513 |
| Certified Facilities Director (CFD): | 13 | 226 |
| Business Office Manager (BOM): | 16 | 201 |
| Business Office Specialist (BOS): | 13 | 141 |
| Certified Operations Director (COD): | 5 | 2 |
| Certified Transportation Director (CTD): | 10 | 121 |
| Certified Food Service Director (CFS): | 5 | 37 |
| Human Resource Specialist (HRS): | 10 | 56 |
| Pupil Accounting Auditor (PAA): | 4 | 15 |
| Pupil Accounting Specialist (PAS): | 11 | 26 |
| School Payroll Specialist (SPS): | 10 | 96 |
| School Technology Management (STM): | 9 | 93 |
| Total: | 121 | 1,527 |



One of MSBO's roles is to advocate for membership and serve in an expert capacity whether it be providing testimony at a Senate or House legislative committee or working with a state stakeholders group that is addressing education and school administration policy.

MSBO staff represented MSBO members and the school community at a number of state agencies, department stakeholders groups and various other organizations, providing expert input on numerous issues to address the needs of MSBO members and K-12 education as a whole.

Some of These Included:

- Bureau of Fire Services
- Center for Educational Performance and Information (CEPI) Advisory Committee
- Michigan Department of Education (MDE) Referent Groups
- Michigan Department of Education Professional Learning Stakeholders
- Michigan Department of Treasury
- Michigan Institute for Educational Management (MIEM)
- Michigan Liquid Asset Fund Plus (MILAF+)
- Michigan Municipal Bond Authority
- Michigan Purchasing Card Consortium (MPCC)
- Michigan School Employees Retirement System (MPSERS) Payroll Advisory Group
- Michigan Schools Energy Cooperative (MISEC)
- School Food Service Training Task Force
- SET SEG Property Casualty Pool

Legislative Advocacy

MSBO has represented members by providing expert testimony at a number of Michigan Senate and Michigan House of Representatives committee meetings addressing the need of school districts to maintain a healthy fund balance, transparency reporting, the economic cliff that many school districts are facing in the state, as well as a number of other issues affecting schools in Michigan.

MSBO's long standing policy in legislative issues, remains to be the role of providing facts, data, and testimony when requested by other groups or the legislature.

Education Alliance

MSBO participates with a score of other education associations dedicated to the exchange of ideas and takes a leadership role in developing education policy recommendations to improve Michigan education.



The 73rd Annual Conference & Exhibit Show: The 2011 Annual Conference was held at the Amway Grand Plaza Hotel/DeVos Place. Pre-Conferences this year included: Facilities, Food and Nutrition Services, Issues Facing the Business Manager and Transportation. Super Sessions included John E. Nixon, state budget director and director of Michigan Department of Technology, Management & Budget and a Legislative Panel Discussion led by Tim Skubick, Senior Capitol Correspondent and host of Off the Record. The keynote speaker was futurist James Canton, Ph.D., a leading authority on future trends and innovation.

Business Manager/CPA Workshop: This workshop provides timely information for practicing CPAs and business managers in preparing for successful year-end and financial statement preparation. Important topics range from reporting issues and concerns from the state's audit reviews to key compliance and finance-related issues.



Introduction to School Business: This two-day conference is designed for new business officials (within the first few years of employment), office staff, and those who want a basic information refresher. Attendees get an understanding of the major functions of school business officials, how to survive the personal and professional politics of the job, and learn how the Michigan Department of Education and the Michigan Legislature affect education among many other topics.

Group Solutions-Current Issues: This workshop provides hands-on business office self-assessment, discussion and real-world problem solving. Attendees get straight talk, advice, and professional support from other professionals facing the same issues.



MDE/MSBO Workshop: This one-day workshop highlights the latest from the Michigan Department of Education on state aid, provides members the opportunity to meet with MDE staff, and other hot topics.

Financial Strategies Conference: This conference focuses on providing members the latest information on the economy, budget, state aid, legislation and other hot topics just in time for budgeting and negotiations.

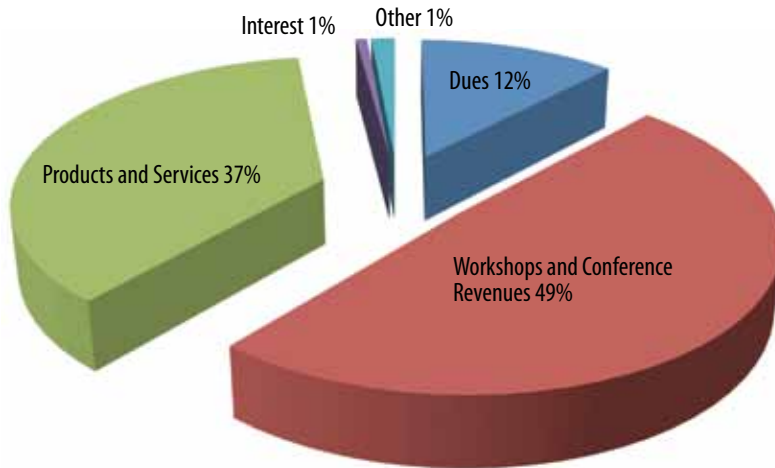
ASHERA Training: These courses are a refresher designed for certification and licensing of asbestos abatement project designers through an Environmental Protection Agency (EPA) approved training program.



Annual Facilities/Operations Director Conference & Expo: This conference is the best place to access high-level information on school facilities. School facilities represent a tremendous resource and responsibility for districts and require the knowledge and understanding of a myriad of issues.

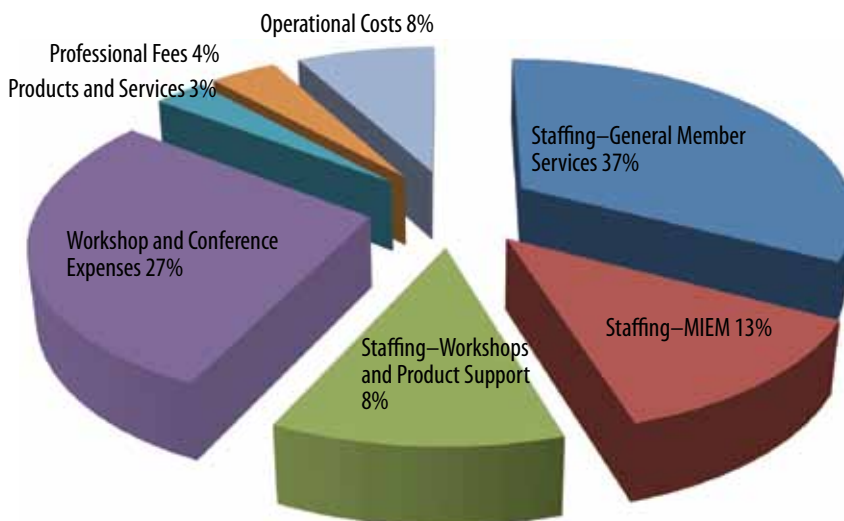
Health Care Insurance Reform Workshop: Now and in the Future: MSBO assembled a full day of presenters, all with different perspectives on health care reform. Legal counsel representatives reviewed the regulations and discussed the impact on bargaining; as well health insurance providers answering specific questions and human resources experts provided tips on communicating the new laws. The day was rounded out with the Director of the Office of Retirement Services (ORS) providing a perspective on the health legislations potential impact on the MPSERS health care rate.

Revenues by Category



| | |
|---|--------------------|
| Dues | \$286,258 |
| Workshops and Conference Revenues | 1,172,142 |
| Products and Services..... | 874,112 |
| Interest..... | 15,865 |
| Other..... | 33,901 |
| Total: | \$2,382,278 |

Expenses by Category



| | |
|--|--------------------|
| Staffing – General Member Services | \$806,546 |
| Staffing – MIEM | 283,236 |
| Staffing – Workshops and Product Support | 180,069 |
| Workshop and Conference Expenses | 604,842 |
| Products and Services..... | 62,992 |
| Professional Fees..... | 81,546 |
| Operational Costs | 168,707 |
| 8 Total: | \$2,187,938 |

Balance Sheet

Assets:

| | |
|------------------------------|-------------|
| Current Assets | \$2,371,405 |
| Furniture and Equipment..... | 92,999 |
| Investment in MIEM..... | 55,657 |
| Investment in MELG | 839,725 |

Total Assets **\$3,359,786**

Liabilities and Net Assets:

| | |
|--------------------------|-----------|
| Current Liabilities..... | \$165,640 |
| Net Assets: | |
| Designated..... | 1,521,874 |
| Other | 1,672,272 |

Total Liabilities and Net Assets **\$3,359,786**

MSBO Annual Audit

The Financial Review Committee met on August 26th. The Committee is comprised of: Paul Bodiya, Macomb ISD (Chair) (via phone), Brian Marcel, Washtenaw ISD, and Robert Spagnuolo, DeWitt Public Schools.

Also in attendance were MSBO President-Elect Angie McArthur (via phone), MSBO Executive Director David Martell, MSBO Associate Executive Director Robert Dwan and MSBO Accounting Coordinator Patty Lenneman, as well as Tadd Harburn from Plante & Moran, PLLC.

The annual MSBO audit was conducted by Plante & Moran, PLLC and MSBO received a clean audit opinion. The Financial Review Committee voted to approve the report and recommended the full Board accept the audit report. The MSBO Board accepted the audit at their September 2011 board meeting.

Products & Services

School Business Solutions



ASBO—The Association of School Business Officials International

ASBO is MSBO's national/international organization. It provides programs and services to promote the highest standards of school business management practices, professional growth, and the effective use of educational resources. Founded in 1910, ASBO International has nearly 6,000 school business management professionals as members.

BidSync

This secure, automated, web-based bidding system allows schools to manage all competitive and other procurement processes online. BidSync represents a major opportunity for saving schools time and money.



Certification Program

The MSBO Certification Program is a voluntary program designed by our own Professional Development Committee in conjunction with others in the educational community. It is endorsed by both MASB (Michigan Association of School Boards) as well as MASA (Michigan Association of School Administrators). MSBO offers 12 separate tracks and our intended purpose is to provide information to school business professionals at the beginning of their careers and to assure continuing professional development throughout.



Dynamic Budget Projections Software

This easy to use, simple to understand software is offered to school districts to use for financial forecasting. It provides multi-year budget projections in an Excel template. More than 500 districts and ISDs have purchased this software. It makes communicating financial information easy for school districts.



Energy Essentials

MSBO's Energy Essentials program assists districts with developing a very cost effective program that creates energy awareness and strategies that result in saving precious dollars for the district. This is a comprehensive, systemic approach to energy savings. This program has saved districts more than \$1 million since its inception.



Fee-for-Service Consulting

MSBO offers a variety of consulting services. Services are customized to fit the needs of our members/clients. Consulting services analyze and improve business operations and provide useful information to school managers. Typical services offered: customized consulting and reviews of custodial, maintenance, and grounds operations, and all aspects of food service, including operational reviews, logistics and workflow, and staffing studies.

Michigan Liquid Asset Fund Plus (MILAF+)

In 1987, MSBO, MASA, and MASB collaborated to form the Michigan Liquid Asset Fund Plus program. Districts that utilize the many banking-related services such as check writing, investment of bond proceeds, online Internet services and fixed investing also take advantage of the Fund's AAAM rating, security, and liquidity. Currently 422 districts and other public entities participate in this program.



Michigan Schools Energy Cooperative (MISEC)

Michigan Schools Energy Cooperative (MISEC) was established in 1997 by MSBO, MASA, MAISA, MCEA, and MASB as a joint venture to take full advantage of cost-saving opportunities provided by energy deregulation.

Products & Services

School Business Solutions



Public | Surplus®



MSBO/MAPT Bus Program

This joint venture with MAPT saves districts time and money by providing a quality base bus with over 300 options to choose from. All the bidding has been done for MSBO members. The program is provided through an online platform making access and use very convenient.

PaySchools

PaySchools is an online payment processing system that provides schools with an easy and efficient method to collect fees and receive electronic payments for school lunches, field trips, prom tickets, and any other school-related fees. PaySchools makes it possible for all schools to offer parents the convenience of online purchasing without incurring large administration or setup costs. Payments are automatically processed and the money is transferred to the school's local bank account(s).

PublicSurplus.com

Want to reach more potential buyers when selling surplus or used items from your district? Use this site to maximize the price you'll receive. Michigan districts have used it successfully for the last 4 years. It allows members to reach a national, even international, audience for buses, equipment and anything else school districts may wish to sell.

Purchasing Card Consortium

The Consortium, similar to a credit card program, but better - allows school districts greater control of their expenses, saves time and money and allows all districts to participate with the same, low fee structure. The 5th year was another great success for the program with districts earning approximately \$300,000 in rebates for the calendar year 2010.

SafeSchools

SafeSchools is a partner with MSBO, MASA and MASB and is an online safety training and tracking system designed specifically for school employees. Save training dollars and increase the opportunities for your staff to receive quality, timely training through SafeSchools.com. With over 200 online programs, SafeSchools offers a tremendous value to districts.

SchoolDude.com, Inc.

SchoolDude is the nation's number one provider of on-demand operations management solutions designed exclusively for the unique needs of schools, colleges, and universities. Their integrated suite of solutions for technology, business, and facility operations is revolutionizing the way educational professionals manage their organizations. SchoolDude's tools are easy to use and affordable; helping schools save money, increase efficiency, and improve services. MSBO's relationship provides significant discounts for Michigan school districts.

School Finance Reference Manual

This easy-to-reference manual provides a collection of school finance materials needed by all school business officials. It is designed to help individuals understand the complexity of school finance issues. Each year it is updated to reflect the latest information on school finance.

U.S. Communities

U.S. Communities provides a national purchasing co-operative for local and state government agencies, school districts (K-12), higher education and non-profits nationwide by pooling the purchasing power of over 87,000 public agencies.



Michigan School Business Officials

CORE

VALUES

The core values of our association are:

- **The Value of Education.** We believe in the value of education. We will do all we can to support and enhance the delivery of education to Michigan's children.
- **Dedication to Leadership and Learning.** We believe each of us should be a leader and that effective leadership and management require a defined set of knowledge and skills as well as common sense. We will attend workshops and conferences and engage in other professional development activities that help us maintain and advance our knowledge. We will assist others in learning and ask questions of our colleagues when we need advice or information. We will approach all situations expecting to learn something.
- **The Power of Synergy.** We believe in approaching problems expecting to make a personal contribution to the solution and with the recognition that the best solutions are normally the result of working with others.
- **Commitment to Ethics.** We believe in operating our personal and professional lives in an ethical way that will reflect favorably on our schools and our profession. We believe we have a responsibility to act as stewards of our schools and to contribute to our communities and colleagues.

Based on these values, we believe in doing things right and in doing the right things.