

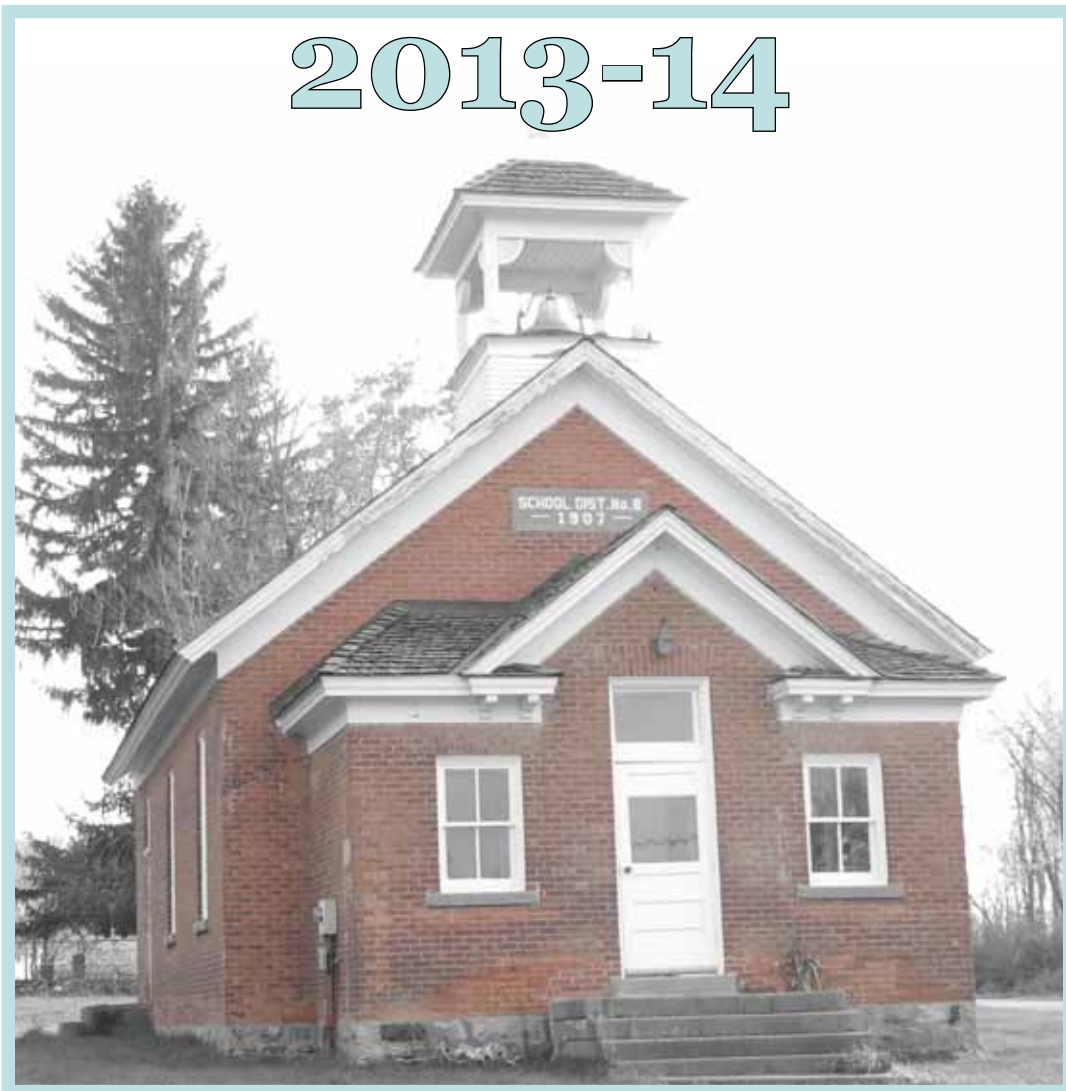


Michigan School Business Officials

ANNUAL

REPORT

2013-14



**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.

The MSBO Board of Directors consists 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.

## Officers



**President**  
**Mary A. Reynolds, CPA, CFO**  
Executive Director, Business Services  
Farmington Public Schools



**President-Elect**  
**Daniel B. Romzek, CPA, CFO**  
Assistant Superintendent, Business  
Rochester Community Schools



**Immediate Past President**  
**Angie McArthur, CFO**  
Superintendent  
Engadine Consolidated Schools



**Executive Director**  
**David Martell, CPA, CFO**  
Executive Director  
MSBO

## Directors



**Tom Armstrong, CFO**  
Director of Business Operations  
Wexford-Missaukee ISD



**Bill Chatfield, CFD**  
Operations Director  
Walled Lake Consolidated Schools



**Steve Ezikian**  
Deputy Superintendent  
Wayne RESA



**Mike Hagerty, CFO**  
Assistant Superintendent  
Administrative Services  
Kent ISD



**Tamera L. Powers, CFO**  
Director of Finance & ESSA  
Human Resources  
Kenowa Hills Public Schools



**Cheryl S. Wald, CPA, CFO**  
Director of Finance  
Howell Public Schools



**Associate Member Representative**  
**Brenda Voutyras**  
Managing Director  
Stifel, Nicolaus & Company, Incorporated

## 2013-14 Regional Presidents

### **Allegan County**

Stacey Cleveland  
Martin Public Schools

### **Macomb/St. Clair County**

Kyle Anderson, CFO  
Anchor Bay School District

### **Northwest Michigan**

Kristina A. Mauntler, CFO  
Manistee ISD

### **Thumb Region**

Stacy Haag, BOS  
Huron ISD

### **Berrien/Cass/Van Buren**

Kathryn M. Holy, CFO  
Brandywine Community Schools

### **Middle Michigan**

Kevin Kolb, CFO  
Shepherd Public Schools

### **Oakland County**

Teri L. Les, CPA, CFO  
Walled Lake Consolidated Schools

### **Upper Peninsula**

Jason G. Auel, CFO  
Copper Country ISD

### **Central Michigan**

Robert Spagnuolo, CPA, BOM  
DeWitt Public Schools

### **Monroe/Lenawee**

Joshua P. Dyer, CPA, CFO  
Ida Public Schools

### **Saginaw Valley**

Jennifer Mueller  
Bay-Arenac ISD

### **Washtenaw/Livingston**

Jill Minnick, CPA, CFO  
Whitmore Lake Public Schools

### **Genesee Area**

Danielle Templeton  
Mount Morris Consolidated Schools

### **Mid-West Michigan**

John Gilchrist  
Greenville Public Schools

### **South Central**

Benjamin Engelter, BOM  
Coldwater Community Schools

### **Wayne County**

Nick Armelagos, CFO  
Livonia Public Schools

### **Grand Valley**

Jason R. Helsen, CFO, SFO  
Reeths-Puffer & Whitehall S/D

### **Northern Michigan**

Lori Martinchek, BOM  
Charlevoix-Emmet ISD

### **Southwestern**

Amy J. Christman, CFO  
Allegan Public Schools

### **Western Area**

James M. English, CFO  
West Ottawa Public Schools

## 2013-14 Program & Research/Administrative Committee Chairs

### **Facilities Management**

Todd Bell CFO, CFD  
Operations Director  
Kentwood Public Schools

### **Professional Development**

Neil R. Cassabon, CFO  
Business Manager  
Warren Woods Public Schools

### **Transportation**

George Waldrup  
Operations Director  
Hartland Consolidated Schools

### **Financial Review**

Robert Spagnuolo, CPA, BOM  
Assistant Superintendent for  
Finance & Operations  
DeWitt Public Schools

### **Food & Nutrition Service**

Julie Harsh  
Food Service Director  
Saline Area Schools

### **School Finance Services**

Teresa Davis, CFO  
Chief Financial Officer  
Eaton RESA

### **Bylaws and Resolutions**

Marc R. Faber, CFO  
Chief Financial Officer  
Byron Center Public Schools

### **Membership**

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

### **Intermediate School District**

Gustave Damaske, CFO  
Chief Financial Officer  
Berrien RESA

### **Technology**

David Palme, STM  
Technology Director  
Portland Public Schools

### **Elections**

Diane Warren, RSBO  
Finance Director  
Shiawassee RESD

### **Nominations**

Angie McArthur, CFO  
Superintendent  
Engadine Consolidated Schools

Total 2013-14 membership includes Active, Emeritus and Associate 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.

**There are 82 Emeritus Members.**

**Associate Members** are employed in a business, not an educational institution. All Associate Members are included on the web-based School Purchasing Pages.

**There are 586 Associate Members.**

|                                   |              |
|-----------------------------------|--------------|
| Finance .....                     | 1,266        |
| Facilities .....                  | 260          |
| Food Service .....                | 68           |
| Human Resources .....             | 100          |
| Public Safety .....               | 3            |
| Purchasing .....                  | 23           |
| Superintendent .....              | 60           |
| Technology .....                  | 124          |
| Transportation .....              | 222          |
| <b>Total Active Members .....</b> | <b>2,126</b> |

**Distinguished Service Award:** Steve Lenar, Holly Area Schools

**Friends of Education:**

Kathryn Summers, Senate Fiscal Agency  
Bethany Wicksall, House Fiscal Agency

**Meridian Award of Excellence:**

**Winners:**

Stephen King, Birmingham Public Schools  
John Stoner, Rochester Community Schools

**President's Award:** Cheryl R. Cannon

**Piper Scholarship:** Rebecca Jones, Jackson County ISD

**Stebbins Scholarship:** Corinne LaPlante, Anchor Bay School District

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 14 separate tracks.

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

| Certification Track                       | Awarded 2013-14 | Total Currently Certified |
|---|-----------------|---------------------------|
| Chief Financial Officer (CFO):            | 17              | 395                       |
| Certified Facilities Director (CFD):      | 9               | 148                       |
| Business Office Manager (BOM):            | 11              | 200                       |
| Business Office Specialist (BOS):         | 15              | 107                       |
| Certified Child Nutrition Director (CFS): | 1               | 35                        |
| Certified Operations Director (COD):      | 4               | 42                        |
| Certified Purchasing Officer (CPO):*      | 1               | 10                        |
| Certified Transportation Director (CTD):  | 5               | 84                        |
| Educational Data Specialist (EDS):*       | 2               | 20                        |
| Human Resource Specialist (HRS):          | 7               | 122                       |
| Pupil Accounting Auditor (PAA):           | 5               | 56                        |
| Pupil Accounting Specialist (PAS):        | 11              | 171                       |
| School Payroll Specialist (SPS):          | 5               | 102                       |
| School Technology Management (STM):       | 3               | 93                        |
| <b>Total:</b>                             | <b>96</b>       | <b>1585</b>               |

\* Approved by the MSBO Board of Directors in early 2013.



## 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 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

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.

## Legislative Advocacy

MSBO represented members by providing expert testimony at a number of Michigan Senate and Michigan House of Representatives committee meetings addressing the need for school districts to maintain a healthy fund balance, transparency reporting, development of early warning indicator system, 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

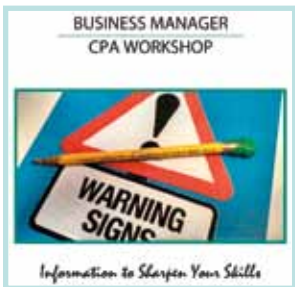
MSBO participates with other education associations dedicated to the exchange of ideas. The Education Alliance takes a leadership role in developing education policy recommendations to improve Michigan education.

## School Nutrition Association of Michigan (SNAM)

MSBO and SNAM continue a successful management partnership that started in early 2013. MSBO provides administrative services, leadership assistance and office space to SNAM. MSBO and SNAM have been closely affiliated for many years serving similar memberships and both organizations feel that this partnership will further enhance the relationship, benefiting both MSBO and SNAM members. Both organizations share a mission of promoting efficient and effective performance in school operations.



**The 76th Annual Conference & Exhibit Show:** The 2014 Annual Conference was held at the Amway Grand Plaza Hotel in Grand Rapids. Pre-Conferences this year included: Facilities, Food and Nutritional Services, Issues Facing the Business Manager, Transportation, Technology and the addition of a Human Resources Pre-Conference. Senior Capitol Correspondent Tim Skubick facilitated a Legislative Panel Discussion as part of the Opening General Session. Keynote speaker Lt. Col (Ret.) Rob “Waldo” Waldman, a highly decorated F-16 fighter pilot, spoke on the need for trusting partnerships and the ability to bring excellence to all aspects of life.



**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.

**MSBO Leadership Institute:** The MSBO Leadership Institute is designed to help members reach that next level in their professional and personal life through a rigorous and challenging curriculum that will help them grow as leaders and implement solutions. It includes face-to-face group sessions focusing on specific leadership themes, individual personal coaching sessions, and small group project sessions.

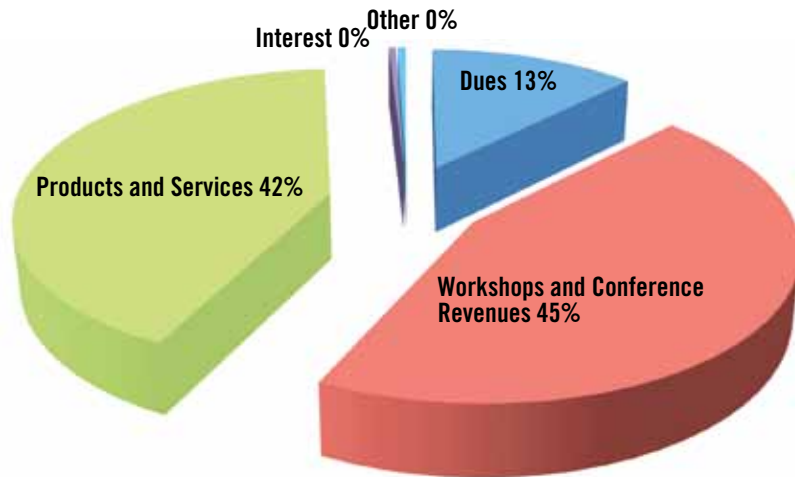
**Financial Strategies Conference:** This conference focuses on providing members the latest information on the economy, budget, state aid, legislation and other hot topics just in time for budgeting and negotiations.



**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.

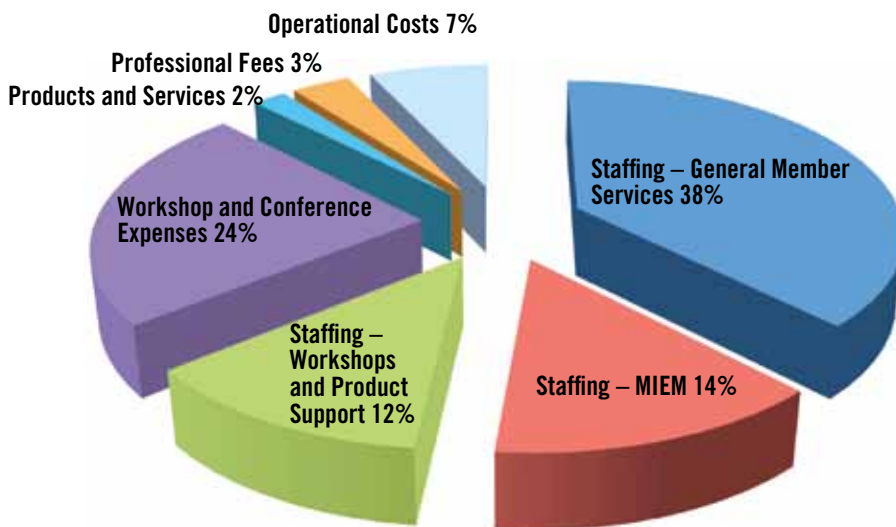
**Annual Facilities/Operations Director Conference & Expo:** This conference is the best place to access high-level information on school facilities. School facilities represent a tremendous resource and responsibility for districts and require the knowledge and understanding of a myriad of issues.

## Revenues by Category



|                                 |                     |
|---------------------------------|---------------------|
| Dues .....                      | \$ 303,108          |
| Workshops and Conferences ..... | 1,083,378           |
| Products and Services .....     | 1,014,012           |
| Interest .....                  | 10,345              |
| Other .....                     | 11,973              |
| <b>Total: .....</b>             | <b>\$ 2,422,816</b> |

## Expenses by Category



|  |                     |
|--|---------------------|
| Staffing – General Member Services .....       | \$ 832,913          |
| Staffing – MIEM .....                          | 306,678             |
| Staffing – Workshops and Product Support ..... | 274,589             |
| Workshop and Conference Expenses .....         | 519,668             |
| Products and Services .....                    | 43,280              |
| Professional Fees .....                        | 76,173              |
| Operational Costs .....                        | 153,709             |
| <b>Total: .....</b>                            | <b>\$ 2,207,010</b> |

## Balance Sheet

### Assets:

|                              |              |
|------------------------------|--------------|
| Current Assets.....          | \$ 2,841,068 |
| Furniture and Equipment..... | 80,696       |
| Investment in MIEM.....      | 67,755       |
| Investment in MELG.....      | 776,049      |

**Total Assets ..... \$ 3,765,568**

### Liabilities and Net Assets:

|                           |            |
|---------------------------|------------|
| Current Liabilities ..... | \$ 238,729 |
| Net Assets:               |            |
| Designated .....          | 1,483,791  |
| Other.....                | 2,043,048  |

**Total Liabilities and Net Assets... \$ 3,765,568**

The Financial Review Committee met on October 3, 2014. The Committee is comprised of:

- Robert Spagnuolo, DeWitt Public Schools (Chair)
- Paul Bodiya, Macomb ISD
- Brian Marcel, Washtenaw ISD

Also in attendance were MSBO President-Elect Cheryl Wald, MSBO Executive Director David Martell, MSBO Accountant Patty Lenneman and Kim Miller from Plante Moran.

The annual MSBO audit was conducted by Plante Moran 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 in November 2014.

# Business Solutions

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## 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 schools to save 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 14 separate tracks and provides essential information to school business professionals at the beginning of their careers and assures continuing professional development throughout.



## Custodial Certification Program

MSBO provides a Custodial Certificate Program (CCP) to assist districts in providing meaningful, rigorous training to custodians that is designed to help improve performance and increase employee morale. The program is delivered on site and consists of 10 courses taught by experts.

## 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 easier for school districts.



## 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 term investing also take advantage of the Fund's AAAM rating, security, and liquidity. Currently 475 school districts and other public entities participate in this program.





# Business Solutions

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## 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 allow schools to take full advantage of cost-saving opportunities provided by energy deregulation.

## MSBO Bus Program

The bus purchase program saves districts time and money by providing a competitively bid 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.



## MSBO/SET SEG Guide to Compliance Training

This guide is designed to help schools identify education and training that is required for Michigan schools. In an effort to make this guide as user friendly as possible, training is broken out by subject and by employee group. Every required training listed in the guide also includes the governing reference, the training schedule and the instructional courses available to help schools meet compliance obligations.

## Munetrix School Edition

Munetrix is a fiscal transparency solution that has the ability to use financial information submitted to the Michigan Department of Education (MDE) to determine cost effective and best practice models to independently and accurately determine the "fiscal health" of a school district to share with their community.



## 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.



## PublicSurplus.com

Michigan school districts have used PublicSurplus.com successfully for over a decade selling surplus and used items. 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 7th year was another great success for the program with districts earning approximately \$855,680 in rebates for the calendar year 2013.



# Business Solutions

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## 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 more than 120 online programs and 40 more being planned, 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-use-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.



## CORE

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## 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.