



Michigan School Business Officials

ANNUAL REPORT

2014-15



BUSINESS MANAGER
CPA WORKSHOP

"To be prepared is half the victory."



June 3, 2015
Kellogg Center, East Lansing



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.

2014-15 Board of Directors

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
Daniel B. Romzek, CPA, CFO
Director of Business Services for
Hazel Park Schools
Oakland Schools Field Services



President-Elect
Cheryl S. Wald, CPA, CFO
Chief Financial Officer
Mason Public Schools



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



Executive Director
David Martell, CPA, CFO
Executive Director
MSBO

Directors



Tom Armstrong, CPA
Director of Business Operations
Wexford-Missaukee ISD



Kent Cartwright, CPA, CFO
Chief Financial Officer
Petoskey Public Schools



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



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

MSBO Membership & Member Involvement

2014-15 Regional Presidents

Allegan County Rosemary A. Zink Otsego Public Schools	Macomb/St. Clair County Tracy L. Recor, CFO Saint Clair County RESA	Northwest Michigan Kristina A. Mauntler, CFO Manistee ISD	Thumb Region Stacey Viers, BOM Huron ISD
Berrien/Cass/Van Buren Tricia R. Gaideski, CFO, BOM Buchanan Community Schools	Mid-West Michigan John Gilchrist Greenville Public Schools	Oakland County Rick West, BOM Troy School District	Upper Peninsula Sue Furney, CFO Escanaba Area Public Schools
Central Michigan Nancy Rasinske, CFO, BOM Ingham ISD	Middle Michigan Kevin J. Kolb, CFO Gratiot-Isabella RESD	Saginaw Valley Jill Mulders Bay City Public Schools	Washtenaw/Livingston Michelle Cowhy, CFO Milan Area Schools
Genesee Area Kyle Henson Genesee ISD	Monroe/Lenawee Debara D. McGee, CFO Onsted Community Schools	South Central Julie Waterbury, CPA, CFO Homer Community Schools	Wayne County Lonnie Draper, BOM Riverview Community Schools
Grand Valley Sally J. Caverley, CFO Ionia County ISD	Northern Michigan Lisa M. Krosnicki, CFO Charlevoix-Emmet ISD	Southwestern Pam Stermer, MBA, CFO Lawton Community Schools	Western Area James M. English, CFO West Ottawa Public Schools

2014-15 Program & Research/Administrative Committee Chairs

Facilities Management Todd Bell, CFO, CFD Kentwood Public Schools	Professional Development Neil R. Cassabon, CFO Warren Woods Public Schools	Transportation George Waldrup Hartland Consolidated Schools	Financial Review Robert Spagnuolo, CPA, BOM DeWitt Public Schools
Food & Nutrition Services Brenda J. Jansen Kelloggsville Public Schools	School Finance Services Mark W. Higgins Montabella Community Schools	Bylaws and Resolutions Marc Faber, CFO Byron Center Public Schools	Membership Steven A. Lenar, CFO Holly Area Schools
Intermediate School District Scott Thomas, CPA, CFO Kalamazoo RESA	Technology Fredric Sharpsteen, STM Unionville-Sebewaing Area Schools	Elections Diane Warren Shiawassee RESD	Nominations Mary A. Reynolds, CPA, CFO Farmington Public Schools

Total 2014-15 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 83 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 557 Associate Members.

Finance	1,302
Facilities	254
Food Service.....	65
Human Resources	103
Public Safety	1
Purchasing.....	22
Superintendent.....	57
Technology	119
Transportation	216
Total Active Members	2,139

MSBO Award Recipients

Distinguished Service Award: Timothy A. Raymer, Emeritus

Friend of Education: Michael Flanagan, Michigan Department of Education

Meridian Award of Excellence:

Susan Bordewyk, Forest Hills Public Schools

Genesee ISD

Brian Goby, Bloomfield Hills Schools

Southwestern Michigan School Business Officials

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

President's Award: Brenda L. Voutyras, Stifel, Nicolaus & Company, Incorporated

Piper Scholarship: Andrew Case, Anchor Bay School District

Stebbins Scholarship: Jennie Nelson, Greenville Public Schools

MSBO Voluntary Certification

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

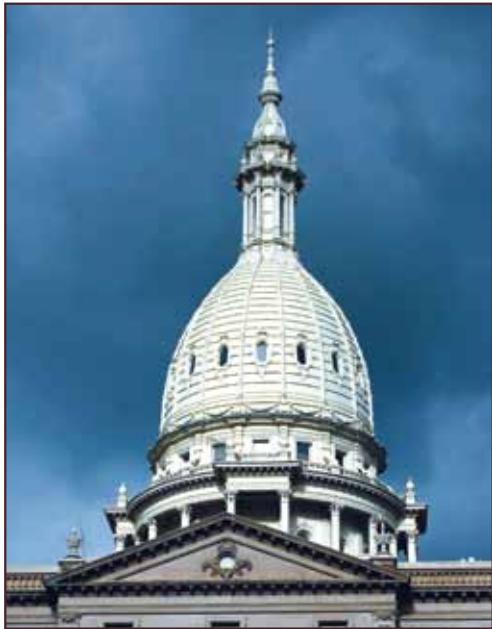
- Offer practical information that will help school business officials succeed and excel in their employment; and,
- Establish a basis for advancing professionalism of school business officials and assuring school districts that current or prospective business officials have a base of knowledge about 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 2014-15	Total Currently Certified
Chief Financial Officer (CFO):	17	377
Certified Facilities Director (CFD):	6	134
Business Office Manager (BOM):	22	158
Business Office Specialist (BOS):	12	110
Certified Child Nutrition Director (CND):	4	31
Certified Operations Director (COD):	8	23
Certified Purchasing Officer (CPO):	2	3
Certified Transportation Director (CTD):	3	64
Educational Data Specialist (EDS):	5	7
Human Resource Specialist (HRS):	17	80
Pupil Accounting Auditor (PAA):	6	37
Pupil Accounting Specialist (PAS):	20	91
School Payroll Specialist (SPS):	9	81
School Technology Management (STM):	6	92
Total:	137	1,288



Some of These Included:

- Center for Educational Performance and Information (CEPI) Advisory Committee
- Michigan Department of Education (MDE) Referent Groups
- 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 has represented members by providing data resources and expert testimony at a number of Michigan Senate and Michigan House of Representatives committee meetings over the years 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.

Program Highlights



The 77th Annual Conference & Exhibit Show: The 2015 Annual Conference was held at Cobo Center in Detroit. Pre-Conferences included: Facilities, Food and Nutritional Services, Issues Facing the Business Manager, Transportation, Technology, and Human Resources. State Superintendent Michael Flanagan kicked off the Opening General Session talking about his 10 years in as Michigan's state superintendent. Best-selling author John Gordon inspired members with his message on positive leading.

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, and other hot topics, as well as provides members the opportunity to meet with MDE staff.

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.

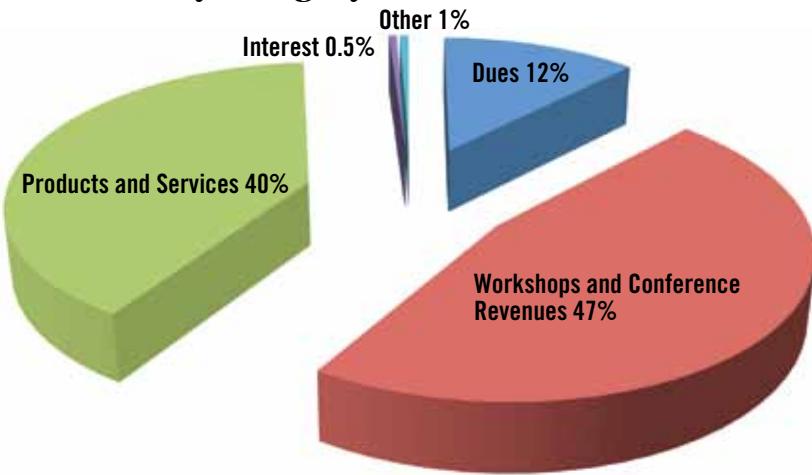
Financial Strategies Conference: This conference focuses on providing members the latest information on the economy, budget, state aid, legislation and other hot topics just in time for budgeting and negotiations.

HERA 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.

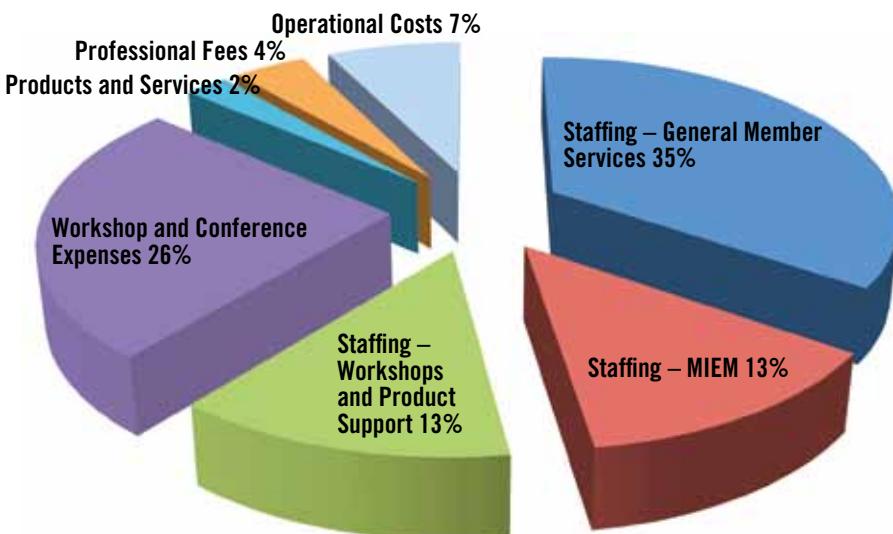
Financial Review

Revenues by Category



Dues.....	\$ 311,338
Workshops and Conferences.....	1,180,722
Products and Services	1,010,492
Interest.....	12,677
Other	14,451
Total:	\$ 2,529,680

Expenses by Category



Staffing – General Member Services	\$ 810,818
Staffing – MIEM	305,596
Staffing – Workshops and Product Support	307,611
Workshop and Conference Expenses.....	595,374
Products and Services	55,732
Professional Fees	92,921
Operational Costs.....	172,752
Total:	\$ 2,340,805

Balance Sheet

Assets:

Current Assets.....	\$ 3,097,389
Furniture and Equipment.....	78,369
Investment in MIEM.....	81,279
Investment in MELG.....	754,503

Total Assets **\$ 4,011,540**

Liabilities and Net Assets:

Current Liabilities

\$ 295,826

Net Assets:

Designated

1,458,387

Other.....

2,257,327

Total Liabilities and Net Assets ... \$ 4,011,540

The Financial Review Committee met on October 8, 2015. 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 Tamera Powers, MSBO Executive Director David Martell, MSBO Accountant Patty Lenneman, Kevin Rogner and Paul Bryant 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.

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 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.



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.



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 AAA rating, security, and liquidity. Currently 470 school districts and other public entities participate in this program.



Michigan Schools Energy Cooperative (MISEC)

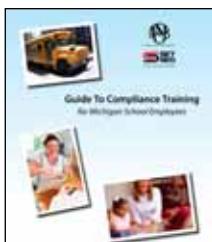
Michigan Schools Energy Cooperative (MISEC) was established in 1997 by MSBO, MASA, MAISA, MCEA, and MASB as a joint venture to allow schools to take full advantage of cost-saving opportunities provided by energy deregulation.

Business Solutions



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.



Michigan 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 9th year was another great success for the program with districts earning approximately \$846,145 in rebates for the calendar year 2014.

Business Solutions



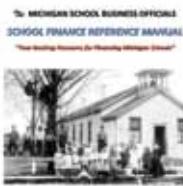
SafeSchools

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 180 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-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 — 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.