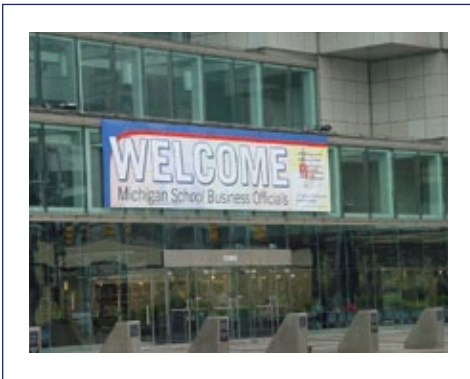




Michigan School Business Officials

ANNUAL REPORT

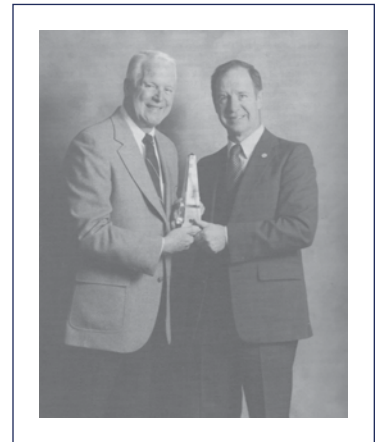
2011-12



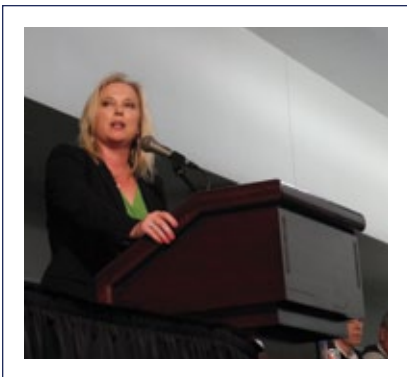
MSBO's Annual Conference at Cobo Center in Detroit for the first time in 2009



The Post Tavern, Battle Creek, MI site of the first Annual Conference



President Julius Tiziani presents the first MSBO Distinguished Service Award to C. Robert Muth at the 1987 conference



Angie McArthur, MSBO's 75th President



The 50th President, Roseann Peacock, passing the gavel to 51st President, John P. (Jack) Hamm



1960 MSBO Board of Directors



MSBO's membership voted on four resolutions at the 2012 annual meeting focusing on professional development, informational and operations leadership and acknowledged the contribution of the special role of our Associate Members. This 2011-12 MSBO Annual Report reflects the philosophy of those resolutions in our workshops, programs and products and services.

MSBO believe its members should be leaders and that effective leadership and management requires a defined set of knowledge and skills as well as common sense. We seek to offer timely and relevant professional development so our members can promote and enhance the delivery of education to Michigan's children. We also provide solutions in the form of efficient products and services that allow school districts to maximize resources in the classroom and play an integral role in providing factual and accurate data to Michigan's schools, legislative leaders and communities.

If you have any questions concerning your membership with MSBO, please contact MSBO Executive Director David Martell or me.

Angie McArthur
Superintendent, Engadine Consolidated Schools
MSBO President
2012- 2013

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 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.

Officers



2011-12 President
Jeffrey P. Crouse, CFO
Assistant Superintendent
Charlevoix-Emmet ISD



2011-12 President-Elect
Angie McArthur, CFO
Superintendent
Engadine Consolidated Schools



2011-12 Immediate Past President
Darcie Birkett, CFO
Assistant Superintendent,
Business Services
Ottawa ISD



Executive Director
David Martell, CPA, CFO
Executive Director
MSBO

Directors



Steve Ezikian
Deputy Superintendent
Wayne RESA



J. Thomas Goodwin, CFO
Chief Financial Officer
Grand Ledge Public Schools



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



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



Daniel B. Romzek, CPA, CFO
Assistant Superintendent,
Business
Rochester Community Schools



Cheryl S. Wald, CPA, CFO
Financial Services Supervisor
Howell Public Schools



Associate Member Representative
Brenda Voutyras
Senior Vice President
Stifel, Nicolaus & Company,
Incorporated

2011-12 Regional Presidents

Allegan County

Lisa Bradley
Allegan Area ESA

Berrien/Cass/Van Buren

Jeff Jasper, CFO
Berrien RESA

Central Michigan

Darryl Sydloski, CFO
Maple Valley Schools

Genesee Area

Jawun Nelson
Flint Community Schools

Grand Valley

Catherine L. Kloska, CFO
Coopersville Area Public Schools

Macomb/St. Clair County

Kimberly Champion, BOM
East China School District

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

Rod Fullerton
Onaway Area Schools

Northwest Michigan

Mary Scobey, CFO, BOM
Kalkaska Public Schools

Oakland County

Donna A. Welch, CPA
Huron Valley Schools

Saginaw Valley

Ginger L. Stowell, CFO
Mt. Pleasant Public Schools

South Central

Angena Morris, CFO
Calhoun ISD

Southwestern

Patricia M. Carr, CFO
Plainwell Community Schools

Thumb Region

Mike Klosowski, CFO
Elkton-Pigeon-Bay Port Laker Sch.

Upper Peninsula

Elizabeth Blank, CFO
Munising Public Schools

Washtenaw/Livingston

Janice Warner
Saline Area Schools

Wayne County

Tamara Dust
Dearborn Public Schools

Western Area

Scott E. Powers, CPA
Ottawa Area ISD

2011-12 Program & Research/Administrative Committee Chairs

Facilities Management

Jeff Miller, CFD
Custodial Supervisor
Kent ISD

Food & Nutritional Services

Terri Sincock
Food Service Director
Hartland Consolidated Schools

Intermediate School District

Christopher Frank, CPA
Assistant Finance Director
Saginaw ISD

Professional Development

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

School Finance Services

Glenna M. MacDonald, CFO
Finance Supervisor
Huron Valley Schools

Technology

David Palme, STM
Technology Director
Portland Public Schools

Transportation

Tom Moore, CTD
Transportation Director
Washtenaw ISD

Bylaws and Resolutions

Mike Hagerty, CFO
Asst. Superintendent, Finance
Kent ISD

Elections

Diane Warren, RSBO
Finance Director
Shiawassee RESD

Financial Review

Paul Bodiya, CPA
Chief Financial Officer
Macomb ISD

Membership

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

Nominations

Darcie Birkett, CFO
Asst. Supt., Business Services
Ottawa Area ISD

Total 2011-12 membership includes 2,051 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 web-based School Purchasing Pages.

Accounting	328
Business Office	854
Facilities	265
Food Service	85
Human Resources	84
Public Safety	2
Purchasing	23
Superintendent	64
Technology	112
Transportation	234
Total Active Members	2,051

There are 578 Associate Members.

Friend of Education: Mary Ann Cleary, House Fiscal Agency

Distinguished Service Award: Michael Keast, Ionia ISD

Meridian Award of Excellence: John Fitzgerald, Lake Orion Public Schools

President's Award: Charles Miller, SET SEG

Piper Scholarship:

John Gilchrist, Greenville Public Schools

Deanna Mayer, Eastern Upper Peninsula ISD

School Business Official of the Year: Charles Wolford, Wayne RESA

Stebbins Scholarship:

Pamela Behling, Jackson County ISD

Shun Smith, South Lyon Community 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 2011-12	Total Currently Certified
Chief Financial Officer (CFO):	30	558
Certified Facilities Director (CFD):	8	247
Business Office Manager (BOM):	21	237
Business Office Specialist (BOS):	5	159
Certified Operations Director (COD):	4	11
Certified Transportation Director (CTD):	6	137
Certified Food Service Director (CFS):	4	46
Human Resource Specialist (HRS):	13	79
Pupil Accounting Auditor (PAA):	4	23
Pupil Accounting Specialist (PAS):	9	46
School Payroll Specialist (SPS):	7	113
School Technology Management (STM):	8	110
Total:	119	1,766



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. The Education Alliance takes a leadership role in developing education policy recommendations to improve Michigan education.



The 74 Annual Conference & Exhibit Show: The 2012 Annual Conference was held at the Cobo Center in Detroit. Pre-Conferences this year included: Facilities, Food and Nutrition Services, Issues Facing the Business Manager and Transportation. Super Sessions included Off the Record – On the Road led by Tim Skubick, Senior Capitol Correspondent and host of Off the Record. Keynote speaker was motivational speaker Walter Bond.

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.

Innovative Delivery of Non-Instructional Services Workshop Collaboration • Consolidation • Contracting • Concessions: This one-day workshop focused on the various challenges and opportunities everyone is facing when contemplating changes in service delivery. Experts presented in a large group session and attendees moved to break out sessions in their area of interest for a facilitated “peer-to-peer” session. Facilitators shared specific experiences regarding their district’s approach to changing how their respective services are delivered.

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.

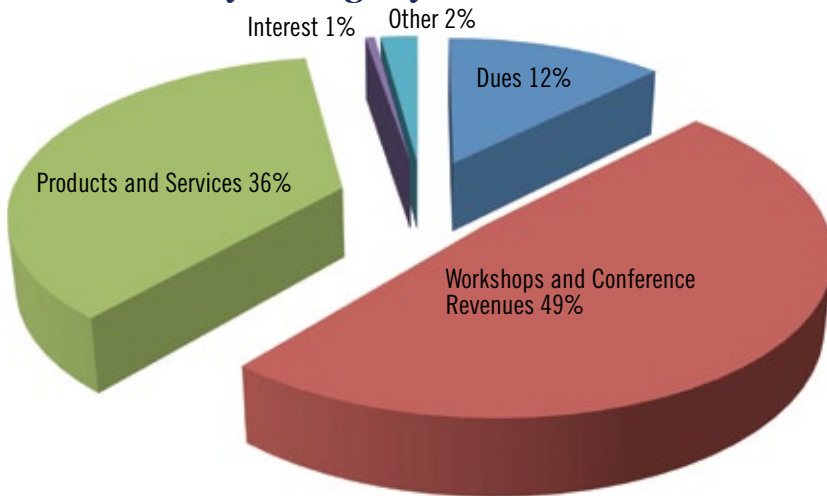
MSBO Leadership Institute: The MSBO Leadership Institute is designed to help members reach that next level in their professional and personal life through a rigorous and challenging curriculum that will help them grow as leaders and implement solutions. It includes face-to-face group sessions focusing on specific leadership themes, individual personal coaching sessions, and small group project sessions. The first cohort was held 2011-12 with 28 participants.

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	\$283,218
Workshops and Conference Revenues	1,107,477
Products and Services	821,627
Interest	12,289
Other	47,860
Total:	\$2,272,471

Balance Sheet

Assets:

Current Assets.....	\$2,456,085
Furniture and Equipment.....	70,010
Investment in MIEM.....	36,884
Investment in MELG.....	818,379

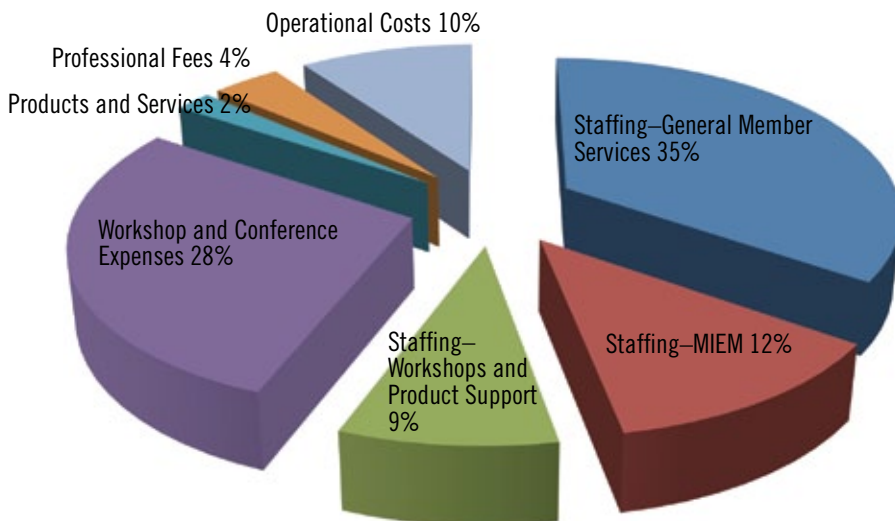
Total Assets **\$3,381,358**

Liabilities and Net Assets:

Current Liabilities	\$198,724
Net Assets:	
Designated	1,459,762
Other.....	1,722,872

Total Liabilities and Net Assets.... **\$3,381,358**

Expenses by Category



Staffing – General Member Services	\$792,814
Staffing – MIEM	282,226
Staffing – Workshops and Product Support	198,695
Workshop and Conference Expenses.....	650,782
Products and Services	46,991
Professional Fees	88,032
Operational Costs.....	224,443

8 Total: **\$2,283,983**

The Financial Review Committee met September 6, 2012. The Committee is comprised of:

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

Also in attendance were Mary Reynolds (via phone), Bob Dwan, David Martell, Patty Lenneman and 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 in September 2012.

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

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.

Custodial Certification Program:

MSBO has developed 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 easy 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 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



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.

Munetrix School Edition:

MSBO began to search the marketplace for a solution that would have the ability to use financial information submitted to the Michigan Department of Education (MDE) to determine cost effective and best practice models. No widely used and independent mechanism has existed to accurately determine the "fiscal health" of a school district... until now. Munetrix™ School Edition allows for:

- building long-term financial forecasts and trends
- best-practice benchmarking and peer group comparisons
- analysis including fiscal indicator scores
- easy-to-understand access to sometimes confusing financial information for the community and school board

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 7th year was another great success for the program with districts earning approximately \$300,000 in rebates for the calendar year 2011.

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.

Products & Services

School Business Solutions



SchoolDude.com, Inc.

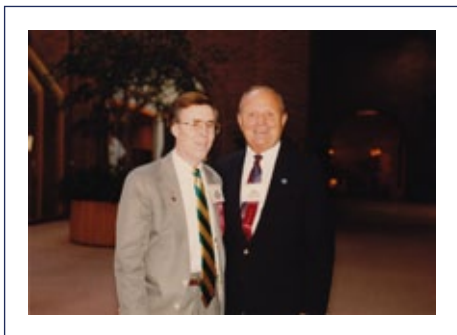
SchoolDude is the nation's number one provider of on-demand operations management solutions designed exclusively for the unique needs of schools, colleges, and universities. Their integrated suite of solutions for technology, business, and facility operations is revolutionizing the way educational professionals 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.



President Mike Flanagan and Executive Director Wally Piper, 1992 Annual Conference



Executive Director Tom White



Executive Director David Martell



Members enjoy dinner at the Silver Anniversary Banquet, 1963



MSBO members attending one of the 1961 breakout sessions



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.



Registration in 1966



2011 Financial Strategies Conference



Photograph of a conference exhibitor circa 1960