



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING

RICK SNYDER
GOVERNOR

MICHAEL P. FLANAGAN
STATE SUPERINTENDENT

February 19, 2015

Joshua Talison, Superintendent
Michele Loper, School Board President
Beecher Community Schools
1020 West Coldwater Road
Flint, MI 48505

Dear Superintendent Talison and Board President Loper:

Thank you for the submission of your Deficit Elimination Plan (DEP) as developed by the district and approved by the local board of education. The Michigan Department of Education has approved this plan based on contingencies, which are listed below. Attached is a one page summary of the DEP from your electronic submission.

This DEP is largely dependent on staff reductions. The Department expects that the projected staff reductions will take place as outlined in the DEP. Further, we expect that if the district is unable to realize these planned reductions, it will institute other expenditure reductions in order to meet the fund balance targets in the plan.

The plan also assumes that financial incentives given to districts meeting certain criteria will continue each year. The Department expects that if the incentives are not offered, the district will institute expenditure reductions in order to meet the fund balance targets in the plan.

The district is required to meet the fund balance targets in this DEP. Failure to meet these deficit reduction targets will invalidate the plan. Department approval is granted based on the following contingencies:

- If the district is unable to achieve the staff reductions, it will be expected to reduce expenditures in other categories in order to meet the fund balance targets in the DEP.
- The district is required to reduce projected expenditures if the district does not receive the financial incentives assumed in this DEP.
- The district is required to post a link to this approved DEP on its website within 30 days of this approval letter. The link should be posted on the budget transparency page, in the form and manner found in the transparency guidance.
- The district is required to submit any revisions made to the current year budget along with the corresponding board resolution adopting the revised budget. If the budget

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revision impacts the DEP, the DEP should be revised and submitted as well. Revisions must be submitted no later than one week after they are adopted by the board.

- The district is required to submit Monthly Budgetary Control Reports to the Department. Please use the tab labeled "Month1Summary2015" of the electronic DEP form used to prepare your DEP for this purpose.
- If a deficit continues to exist at fiscal year end 2014-15, the district will be required to submit an updated DEP by July 31, 2015, or 30 days after the state school aid budget is passed, whichever comes later.
- If a deficit continues to exist at fiscal year end 2014-15, the district will be required to submit its pupil count information no later than one week after the fall count.

Please notify us if significant changes occur which would invalidate this plan as approved.

The district has requested an additional year to eliminate the deficit. This extension request mostly stems from additional enrollment losses. The district should be prepared to implement additional expenditure reductions to ensure the deficit is eliminated in 2015-16, if the conservative enrollment projections in the plan do not materialize. The approval of this plan should also be considered approval of your extension request.

Please contact Chad Urchike at (517) 335-1261 or urchikec1@michigan.gov, or Jeff Kolb at (517) 373-1908 or kolbj2@michigan.gov, if you have any questions.

I look forward to your submissions and continued cooperation.

Sincerely,



Daniel M. Hanrahan, Director
Office of State Aid and School Finance

cc: Connie Palmer, Shared Time Director of Business Services, Genesee ISD
Oceola Watson, Vice President, School District Board of Education
Marvin Smoot, Secretary, School District Board of Education
Reginald Mays, Treasurer, School District Board of Education
Joyce Jackson, Trustee, School District Board of Education
Lasonya Larry, Trustee, School District Board of Education
Mary Rankins, Trustee, School District Board of Education
Lisa Hagel, Superintendent, Genesee ISD
Cynthia McCain, Assistant Superintendent, Genesee ISD
Kyle Guerrant, Deputy Superintendent, Michigan Department of Education
Chad Urchike, Financial Analyst, Office of State Aid and School Finance
Local Audits Unit, Michigan Department of Treasury

Beecher Community Schools

	Preliminary Actual 2013-14	Budgeted 2014-15	Yearly Increase (Decrease)	% Increase (Decrease)	Estimated 2015-16	Yearly Increase (Decrease)	% Increase (Decrease)
Beginning Fund Equity:	(\$701,016)	(\$988,531)			(\$878,190)		
Add: Revenues							
Local Sources	\$807,839	\$1,011,480	\$203,641	25.21%	\$1,011,480	\$0	0.00%
Local Rec'd Thru Another Public Sch.	\$71,533	\$70,220	(\$1,313)	-1.84%	\$70,220	\$0	0.00%
Other Political Sub.	\$0	\$0	\$0	0.00%	\$0	\$0	0.00%
State Sources	\$10,546,668	\$8,979,233	(\$1,567,435)	-14.86%	\$8,544,113	(\$435,120)	-4.85%
Federal Sources	\$3,524,781	\$4,016,838	\$492,057	13.96%	\$3,903,355	(\$113,483)	-2.83%
Incoming Transfers & Other	\$16,280	\$41,000	\$24,720	151.84%	\$41,000	\$0	0.00%
TOTAL REVENUES, ETC	\$14,967,102	\$14,118,771	(\$848,331)	-5.67%	\$13,570,168	(\$548,603)	-3.89%
TOTAL RESOURCES AVAILABLE	\$14,266,086	\$13,130,240	(\$1,135,846)	-7.96%	\$12,691,978	(\$438,261)	-3.34%
Less: Expenditures							
Classroom Inst.	\$7,708,504	\$6,944,365	(\$764,139)	-9.91%	\$5,911,244	(\$1,033,121)	-14.88%
Support Services:							
Pupil	\$1,042,810	\$1,147,544	\$104,734	10.04%	\$1,051,019	(\$96,525)	-8.41%
Inst. Staff	\$1,214,339	\$1,299,029	\$84,690	6.97%	\$1,299,029	\$0	0.00%
Gen. Adm.	\$387,821	\$465,525	\$77,704	20.04%	\$465,525	\$0	0.00%
Sch. Adm.	\$791,875	\$765,851	(\$26,024)	-3.29%	\$460,485	(\$305,366)	-39.87%
Business	\$283,352	\$85,604	(\$197,748)	-69.79%	\$281,604	\$196,000	228.96%
Operation & Maintenance	\$2,361,363	\$1,822,422	(\$538,941)	-22.82%	\$1,693,365	(\$129,056)	-7.08%
Transportation	\$482,569	\$465,689	(\$16,880)	-3.50%	\$488,714	\$23,025	4.94%
Central	\$366,884	\$402,856	\$35,972	9.80%	\$402,856	\$0	0.00%
Other	\$292,507	\$287,821	(\$4,686)	-1.60%	\$287,821	\$0	0.00%
Community Services	\$208,658	\$207,639	(\$1,019)	-0.49%	\$207,639	\$0	0.00%
Outgoing Transfers	(\$150)	\$0	\$150	100.00%	\$0	\$0	0.00%
Facilities Acq	\$0	\$0	\$0	0.00%	\$0	\$0	0.00%
Debt Service	\$114,085	\$114,085	\$0	0.00%	\$114,085	\$0	0.00%
Fund Modifications	\$0	\$0	\$0	0.00%	\$0	\$0	0.00%
TOTAL EXP. & OUTGOING TRANSFER	\$15,254,617	\$14,008,429	(\$1,246,188)	-8.17%	\$12,663,387	(\$1,345,043)	-9.60%
ENDING FUND BALANCE	(\$988,531)	(\$878,190)	\$110,341	-11.16%	\$28,591	\$906,781	-103.26%