



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING

RICK SNYDER
GOVERNOR

MICHAEL P. FLANAGAN
STATE SUPERINTENDENT

April 30, 2014

Pamela Williams, Superintendent
Archer Collins, School Board President
Highland Park Renaissance Academy
15900 Woodward Avenue
Highland Park, MI 48203-2997

Dear Superintendent Williams and Board President Collins:

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

The DEP is dependent on projected membership growth. Therefore, it is critical that enrollment growth take place according to the schedule detailed in the DEP. The MDE expects that if the District is unable to realize projected revenue growth due to increased enrollment, it will institute expenditure reductions in order to maintain the deficit elimination schedule detailed in the plan.

Additionally, this plan assumes financial incentives given to districts meeting certain criteria will continue each year. The MDE expects that if the incentives are not offered, the District will institute expenditure reductions in order to meet the fund balance targets entailed in its plan.

MDE approval is granted based on the following contingencies:

- If the District is unable to achieve planned revenue growth due to increased enrollment, it will be expected to reduce expenditures in other categories in order to meet the fund balance targets detailed in this plan. Failure to meet the targeted deficit reduction in any year of this plan may be considered an indication of a serious financial problem.
- The District is required to reduce projected expenditures in any year where the District does not receive financial incentives assumed in this plan. Failure to meet targeted deficit reduction in any year of this plan will invalidate the plan.
- The district is required to reduce projected expenditures in any year where the district's projected membership targets are not realized.

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608 WEST ALLEGAN STREET • P.O. BOX 30008 • LANSING, MICHIGAN 48909
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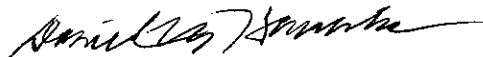
- The District is required to post on its website a link to this approved DEP within 30 days of this approval letter. The link should be posted on the transparency page, in the same area as the board approved budget.
- The District is required to submit any revisions made to the current year budget along with the corresponding board resolution adopting the revised budget. If the budget 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 MDE. Please use the tab labeled "Month1Summary2013" of the electronic DEP form used to prepare your DEP for this purpose. Your first report will be for the month of April 2014 and is due by May 30, 2014.
- The District is required to submit an updated DEP by July 31, 2014, or 30 days after the state school aid budget is passed, whichever comes later.
- The District is required to submit its pupil count information no later than one week after the fall 2014 count.

The District has requested an additional year to eliminate the deficit. Districts requiring additional time to eliminate the deficit are subject to strict monitoring of their adherence to the plan. It is important, therefore, that the District implements the strategies included in the plan and submits detailed monthly budgetary control reports on time. The approval of this plan should also be considered approval of your request for an extension of time to eliminate the deficit.

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

Please notify us if significant changes occur which would invalidate this plan as approved. I look forward to your submissions and continued cooperation.

Sincerely,



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

cc: Gregory Weatherspoon, Emergency Manager, Highland Park Renaissance Academy
Melinda Benkovsky, Budget Manager, The Leona Group, LLC
John D. White, Secretary, School District Board of Education
Marcia Cotton, Treasurer, School District Board of Education
Christopher Wigent, Superintendent, Wayne RESA
Steve Ezikian, Deputy Superintendent, Wayne RESA
Jeff Kolb, Financial Specialist, Office of State Aid and School Finance
Local Audits Unit, Michigan Department of Treasury

Highland Park Public School Academy System

Account	Preliminary Actual 2012-13	Board Adopted Budget 2013-14	Yearly Increase (Decrease)	% Increase (Decrease)	Target Budget 2014-15	Yearly Increase (Decrease)	% Increase (Decrease)	Target Budget 2015-16	Yearly Increase (Decrease)	% Increase (Decrease)
Beginning Fund Equity:	\$0	(\$620,249)			(\$611,141)			(\$244,095)		
Add: Revenues	\$36,503	\$37,000	\$497	1.36%	\$18,000	(\$19,000)	-51.35%	\$20,000	\$2,000	11.11%
Local Sources	\$0	\$0	\$0	0.00%	\$0	\$0	0.00%	\$0	\$0	0.00%
Local Rec'd Thru Another Public Sch.	\$0	\$0	\$0	0.00%	\$0	\$0	0.00%	\$0	\$0	0.00%
Other Political Sub.	\$6,623,197	\$5,246,277	(\$1,376,919)	-20.79%	\$5,330,917	\$84,640	1.61%	\$5,343,790	\$12,873	0.24%
State Sources	\$926,381	\$1,641,599	\$715,218	77.21%	\$915,109	(\$726,490)	-44.26%	\$915,109	\$0	0.00%
Federal Sources	\$52,153	\$0	(\$52,153)	-100.00%	\$0	\$0	0.00%	\$0	\$0	0.00%
Incoming Transfers & Other	\$7,638,234	\$6,924,876	(\$713,358)	-9.34%	\$6,264,026	(\$650,851)	-9.54%	\$6,278,899	\$14,873	0.24%
TOTAL REVENUES, ETC.	\$7,638,234	\$6,304,627	(\$1,333,607)	-17.46%	\$5,652,885	(\$651,742)	-10.34%	\$6,034,803	\$381,918	6.76%
TOTAL RESOURCES AVAILABLE										
Less: Expenditures										
Classroom Inst.	\$3,377,030	\$3,330,275	(\$46,755)	-1.38%	\$2,879,404	(\$450,871)	-13.54%	\$2,927,030	\$47,626	1.65%
Support Services:										
Pupil	\$559,070	\$545,490	(\$13,580)	-2.43%	\$553,687	(\$11,803)	-2.16%	\$543,483	\$9,796	1.84%
Inst. Staff	\$474,648	\$533,453	\$58,805	12.39%	\$416,328	(\$117,125)	-21.96%	\$418,231	\$1,903	0.46%
Gen. Adm.	\$712,164	\$209,000	(\$503,164)	-70.65%	\$403,620	\$194,620	93.12%	\$404,005	\$385	0.10%
Sch. Adm.	\$465,175	\$510,349	\$45,174	9.71%	\$257,780	(\$252,569)	-49.49%	\$267,710	\$9,930	3.85%
Business	\$232,334	\$33,724	(\$198,610)	-85.48%	\$130,724	\$97,000	287.63%	\$130,724	\$0	0.00%
Operation & Maintenance	\$1,260,689	\$1,277,721	\$17,032	1.35%	\$690,565	(\$587,156)	-45.95%	\$714,282	\$23,717	3.43%
Transportation	\$313,832	\$199,050	(\$114,782)	-36.57%	\$271,877	\$72,827	36.59%	\$279,958	\$8,081	2.97%
Central	\$216,360	\$138,534	(\$77,826)	-35.97%	\$142,000	\$3,466	2.50%	\$144,600	\$2,600	1.83%
Other	\$107,372	\$64,175	(\$43,197)	-40.23%	\$56,680	(\$7,495)	-11.68%	\$56,680	\$0	0.00%
Community Services	\$39,453	\$62,734	\$23,281	59.01%	\$84,315	\$21,581	34.40%	\$83,215	(\$1,100)	-1.30%
Outgoing Transfers	\$0	\$0	\$0	0.00%	\$0	\$0	0.00%	\$0	\$0	0.00%
Facilities Acq	\$500,356	\$11,263	(\$489,093)	-97.75%	\$30,000	\$18,737	166.36%	\$30,000	\$0	0.00%
Debt Service	\$0	\$0	\$0	0.00%	\$0	\$0	0.00%	\$0	\$0	0.00%
Fund Modifications	\$0	\$0	\$0	0.00%	\$0	\$0	0.00%	\$0	\$0	0.00%
TOTAL EXP. & OUTGOING TRANSFERS	\$8,258,483	\$6,915,768	(\$1,342,715)	-16.26%	\$5,896,980	(\$1,018,788)	-14.73%	\$5,999,918	\$102,938	1.75%
ENDING FUND BALANCE	(\$620,249)	(\$611,141)	\$9,108	-1.47%	(\$244,095)	\$367,046	-60.06%	\$34,885	\$278,980	-114.29%