



4400 Livernois
Troy, Michigan 48098-4777

Barbara A. Fowler, Ph.D.
Superintendent of Schools

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Date

Re: Bid #9597

Food Service management Company

Dear ***Company Representative***:

The Troy School District will be accepting bids for the management of the school food service operation for the forthcoming year. The mandatory pre-bid meeting is scheduled for **March 25, 2009**, at **1:00 pm** at **4400 Livernois, Troy, MI**. Please respond in writing to indicate whether you will or will not be attending this meeting. A bid packet will be available at that time. You can also access the RFP on our web-site at www.troy.k12.mi.us/purchasing/items_out_for_bid.htm. There is a 5% bid bond requirement.

The contracting process is strictly controlled by United States Department of Agriculture (USDA) procurement regulations. Substantive contact or communication with any district personnel, vendors, contractors, or board members, other than, Frank Lams, Purchasing Supervisor, the district's designated representative, is not permitted. Any attempt to unduly influence district staff, administration, vendors, contractors, or board members will automatically disqualify your company as a bidder.

If I can provide more information, please call me at **248-823-4052**. If you should need to contact the Michigan Department of Education, please call Dawn Lake at (517) 373-9785 .

Sincerely,

Frank Lams
Purchasing Supervisor

cc: Dawn Lake, Consultant Manager, MDE

Attestation Sheet

By submission of this bid, the Food Service Management Company (FSMC) acknowledges that it has carefully examined all terms and conditions set forth in the Request For Proposal (RFP)/Cost Reimbursable Food Service Management contract in the bid document/solicitation issued by the Troy School District on (April 15, 2009). The FSMC acknowledges that it has made examinations and verifications, and is fully conversant with all conditions under which services are to be performed for the Troy School District. No claims for additional compensation will be considered, and no contractual amendments will be executed, due to the successful bidder's failure to be so informed.

The FSMC acknowledges that the School Food Authority (SFA) reserves the right to accept or reject any and all bids, to waive irregularities, and to accept the bid which, in the SFA's opinion, is in the SFA's best interest.

Negligence in the preparation or presentation of, errors in, or omissions from, bids shall not relieve the FSMC from fulfillment of any and all obligations and requirements of the proposed contract. Once a contract is executed, the FSMC shall not claim any modification thereof resulting from any representation or promise made at any time by an officer, agent, or employee of the Troy School District or any other person.

By submitting a bid, the FSMC agrees to execute a contract with the SFA, and to perform services in accordance with the finalized contract documents.

Signature of Food Service Management
Company Representative

Date

Name of Food Service Management Company

**REQUEST FOR
PROPOSAL/
COST REIMBURSABLE
CONTRACT**

Bid #9597

GENERAL PROCEDURAL TERMS AND CONDITIONS

A. INTENT

This solicitation is for the purpose of entering into a contract for the operation of a food service program for the Troy School District herein after referred to as the School Food Authority (SFA). The bidder or Food Service Management Company will be referred to as the FSMC and the contract will be between the FSMC and the SFA.

B. PROCUREMENT METHOD

The contract awarded will be a cost reimbursable contract.

The bid must be submitted in two parts: a bid price per meal/meal equivalent and a written presentation. The bid price per meal/meal equivalent may be weighted more than 50% of the evaluation criteria while the written presentation must be weighted less than 50%. This breakdown will be identified on the Bid Point Calculator and Evaluation Criteria Matrix. Bidders are required to provide a breakdown of food and non-food costs, management and administrative fees, and advance payments as shown on the Bid Sheet. Bids that do not provide this information will be deemed non-responsive and rejected.

If an alternate bid is proposed, the bidder must furnish data and/or information regarding the alternative bid that is sufficient in detail for the school district to review and determine if it meets the requirements outlined in the RFP. All bids will be evaluated with the same Bid Point Calculator and Evaluation Criteria Matrix.

The SFA may award the contract to the bidder which it believes, in its sole discretion, to best meet the SFA's needs. Alternatively, the SFA may reject all bids. An award may be made to other than the bidder with the lowest bid price per meal/meal equivalent.

C. BID SUBMISSION AND AWARD

1. Sealed bids/proposals are to be submitted to the Purchasing Department, Troy School District, 1140 Rankin, Troy, MI 48083, anytime prior to, but not later than, **3:00 pm local time on Wednesday, April 15, 2009**. Bids/proposals received after 3:00 pm on April 15, 2009, will not be considered or accepted.

The proposal is to be submitted in a sealed envelope marked "Food Service Management Proposal," which will be endorsed on the outside with the following information:

- **"Food Service Management Proposal" – Bid #9597**
- **Name and Address of Vendor**
- **Date and Time Due**

Provide at least one signed copy, clearly marked "original," and five (5) hard copies of the proposal and two (2) copies of the proposal on a CD so that one copy of the CD can be sent to MDE for its files.

The **bid sheet** is to be submitted in a separate and sealed envelope marked, **"Bid Sheet – Cost Reimbursable Contract."**

2. The SFA reserves the right to exercise its discretion to reject any or all bids.
3. To be considered, each bidder must submit a complete response to this solicitation using the forms provided.
4. Awards, if any, shall be made to a qualified and responsible bidder whose bid is responsive to this solicitation. A responsible bidder is one who's financial, technical, and other resources indicate an ability to perform the services required by this solicitation.
5. Bidders or their authorized representatives are expected to fully inform themselves as to the conditions, requirements, and specifications before submitting bids; failure to do so will be at the bidder's own risk and he/she cannot secure relief on the plea of error.
6. Final questions regarding specifications must be received no later than noon, **Wednesday, April 1, 2009**. Questions must be submitted via email to: flams2@troy.k12.mi.us, or to the attention of Frank E. Lams at 1140 Rankin, Troy, MI 48083 in writing, or via the purchasing office fax telephone 248-823-4077. **No response will be made to oral questions.** All questions and answers will be posted on the District Website. It is the Vendor's responsibility to check the website prior to the RFP due date.

It is the policy of the District to not release Request for Proposals in a changeable format (i.e. Word or Excel files). Accordingly, neither this RFP nor subsequent amendments, if any, nor any Responses for Information will be released in other than hard copy or .pdf format.

D. INCURRED COSTS

The SFA is not liable for any cost incurred by the bidder prior to the signing of a contract by all parties.

E. CONTRACT TERMS

1. This contract shall be for a period of one year effective on July 1, 2009 or upon written acceptance of the contract by the Michigan Department of Education, whichever occurs last, and ending June 30, 2010 with up to four (4) one-year renewals, with mutual agreement between the SFA and the FSMC. Per 7 CFR 250.53 (a) (12), contract extensions or renewals are contingent upon the fulfillment of all contract provisions relating to USDA donated commodity foods.
2. Before any fee increases can be implemented as part of a contract renewal agreement, the FSMC shall document to the SFA, through a written financial analysis, the need for such increases. Renegotiation of management and administrative fees in subsequent years of the contract must not exceed the *Consumer Price Index for Urban Consumers – Food Away from Home* annualized rate for December of the current school year, or a flat percentage rate of 0%, whichever is less.
3. This solicitation/contract, the RFP proposal of the successful bidder, attachments, and mutually negotiated and SFA-approved addenda constitute the entire agreement between the SFA and FSMC. Aside from the adjustments and amendments referenced in Section (E) (2), supra, additional documents and/or agreements, including non-negotiated provisions developed by the contractor, cannot become part of the executed contract. Any additional documents resulting in a substantial change to the contract awarded by the SFA will not be executed by the SFA without prior MDE approval. No other contracts will be signed by the SFA.
4. All state agency-mandated changes to the terms of this contract or any amendment will be incorporated therein before the SFA executes any agreement between it and the FSMC.
5. Any Bidder may withdraw his/her proposal at any time prior to the scheduled time of receipt of proposals. All proposals must be valid for a minimum period of 180 days after the RFP opening.
6. Troy School District reserves the right to reject any and all proposals, or to waive any informalities, irregularities or technicalities in any proposal, if deemed to be in the best interest of the District to do so.

F. PRE-BID MEETING

Interested bidders must meet to review the specifications, to clarify any questions, and to go on a walk-through of the facilities with school officials on **March 25, 2009** at

1:00 pm at the following location: **4400 Livernois, Troy, MI 48098.**

The District feels strongly that due to the complexity of this scope of work, non-attendance at the pre-proposal conference will affect the viability of the proposal from that firm. Therefore, attendance at the conference is mandatory.

G. LATE BIDS

Any bid received after the exact time specified for receipt will not be considered or opened publicly.

H. BONDING REQUIREMENT

Bid Guarantee: Bidder shall submit with his/her bid, a bid guarantee in the amount of five percent (5%) of the total bid price, which shall be in the form of a firm commitment such as a bid bond, postal money order, certified check, cashiers check or irrevocable letter of credit. Bid guarantees other than bid bonds will be returned (a) to unsuccessful bidders as soon as practicable after the opening of bids; and (b) to the successful bidder upon execution of such further contractual documents (i.e., insurance coverage) and bonds as may be required by the bid.

I. GIFTS FROM FSMC

The SFA's officers, employees, or agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or potential contractors. To the extent permissible under State or Federal law, rules, or regulations, such standards shall provide for appropriate penalties, sanctions, or other disciplinary actions to be applied for violations of such standards.

J. SELECTION OF MANAGER

The SFA reserves the right to interview and approve the on-site food service manager. The FSMC will provide a Certified Food Manager per regulations established by the Michigan Department of Agriculture (MDA) effective June 30, 2009.

K. EMPLOYEES

The current food service employees of the SFA will retain interview rights when the FSMC hires employees for the Food Service Program.

The FSMC will provide a Certified Food Manager by building site per regulations established by the MDA effective June 30, 2009.

L. MEAL AND MEAL EQUIVALENTS

For the purpose of making the meal count computation, the number of lunches, breakfasts, and snacks will be based on a projection. The number of lunches served will be determined by 1 lunch = 1 meal equivalent. The number of breakfasts will be determined by 2 breakfasts = 1 meal equivalent. The number of snacks will be determined by 3 snacks = 1 meal equivalent. The FSMC and SFA shall determine a la carte meal equivalents by dividing a projected net a la carte and catering revenue by the sum of the

Federal free lunch reimbursement plus the value of USDA entitlement and bonus-donated foods. This equivalent factor will be adjusted annually by taking the sum of the Federal free lunch reimbursement plus the value of USDA entitlement and bonus-donated foods. The revenue shall include catering sales, adult meals, and a la carte sales to students and adults **less sales tax**.

M. FEES AND ALLOWABLE DIRECT COSTS

The following definitions are provided to clarify costs included in the administrative fee bid:

Centralized company administrative cost, data processing, generalized marketing, training of management in company specific areas, and legal fees.

The following definitions are provided to clarify allowable direct costs:

"Food" is defined as and limited to those items purchased for use in the preparation and service of student, adult, catered, and a la carte meals as specified under Terms and Conditions of this Agreement. This includes the cost of commodity handling and warehousing charges.

"Labor" is defined as and limited to on-site employees responsible for the management, preparation, service, and clean-up of meals.

"Contracted Services" are costs incurred to pay for a service provided by another company. Typical costs would be laundry services, pest control, and periodic maintenance services. Those costs normally recognized as part of the FSMC administrative fee cannot be separately contracted for and charged to the SFA account.

"Transportation Cost" is cost incurred in operating a food service delivery vehicle. This would include gas, oil, tune-ups, and minor repairs. Cost of the purchase of a vehicle would be a capital expense.

"Non-food Expenses" are defined a paper supplies (including decorations), equipment rental, cleaning materials, travel as required for effective program management, uniforms, printing, taxes and licenses, insurance, and expenses as contractually obligated herein. Products embossed with the FSMC logo are not considered allowable direct cost items.

"Cost of Capital Equipment" is the cost of purchasing and installing equipment exceeding \$5000.00, which has had prior approval of the SFA.

N. CAPTIONS

Captions in all sections of this document are provided only as a convenience, and shall not effect the interpretation of this instrument, its attachments, and addenda.

STANDARD TERMS AND CONDITIONS

I. SCOPE AND PURPOSE

- A. The Food Service Management Company (FSMC) shall operate in conformance with the School Food Authority's (SFA) Agreement with the Michigan Department of Education (MDE) and attachments.
- B. The FSMC, as an independent contractor, shall have the exclusive right to operate the National School Lunch Program (NSLP), and/or School Breakfast Program (SBP), and/or Special Milk Program (SMP), and/or Summer Food Service Program (SFSP).
- C. The FSMC shall be an independent contractor and, except as otherwise expressly stated herein, not an SFA agent or representative. The employees of the FSMC are not employees of the SFA. All FSMC employees shall remain directly accountable to the FSMC for the duration of this contract. Except as otherwise expressly stated in this agreement, the FSMC has the sole responsibility and authority to hire, assign, supervise, evaluate, and discipline any personnel assigned by it in the performance of this contract.
- D. The food service provided shall be operated and maintained as a benefit to the SFA's students, faculty, and staff.
- E. All income accruing as a result of payments by children and adults, federal and state reimbursements, and all other income from sources such as donations, special functions, grants, loans, etc., shall be deposited in the SFA's food service account. Any profit or guaranteed return shall remain in the SFA food service account. The SFA and the FSMC agree that this contract is neither a "cost-plus-a-percentage-of-income" nor a "cost-plus-a-percentage-of-cost" contract, as required under 7 CFR 210.16(c), 7 CFR 3016, and 7 CFR 3019.
- F. The SFA shall be legally responsible for the conduct of the food service program, and shall supervise the food service operations in such manner as will ensure compliance with the rules and regulations of the MDE and the United States Department of Agriculture (USDA) regarding each of the Child Nutrition Programs covered by this contract.
- G. The SFA shall retain control of the Child Nutrition Programs food service account and overall financial responsibility for the Child Nutrition Programs.
- H. The SFA shall establish all selling prices for reimbursable and non-reimbursable meals/milk and a la carte prices.
- I. The FSMC shall provide additional food service, such as banquets, parties, refreshments for meetings, etc, as requested by the SFA. The SFA or

requesting organization will be billed for the actual cost of food, supplies, and labor; plus a mutually agreed upon mark up and the FSMC overhead and administrative expenses if applicable, for providing such service. USDA commodities shall not be used for these special functions.

- J. The FSMC shall cooperate with the SFA in promoting nutrition education and coordinating the SFA's food service with classroom instruction in accordance with the school district's Wellness Plan.
- K. The FSMC shall comply with the rules and regulations of the MDE and the USDA, and any additions or amendments thereto, including but not limited to, 7 CFR Parts 210, 215, 220, 245, and 250 and 225, if applicable; and Food and Nutrition Service instruction and policy, as applicable.
- L. The FSMC shall make substitutions in the food components of the meal pattern for students with disabilities when their disability restricts their diet, and those non-disabled students who are unable to consume regular lunch because of medical or other special dietary needs. Substitutions shall be made on a case-by-case basis when supported by a statement of the need for substitutes that includes recommended alternative foods, unless otherwise exempted by the Food and Nutrition Service, USDA. Such statement shall in the case of a student with a disability, be signed by a medical doctor or in the case of a non-disabled student, be signed by a recognized medical authority. There will be no additional charge to the student for such substitutions.
- M. FSMC shall, on a monthly basis, invoice the SFA a sum not to exceed the amount necessary to cover FSMC's expenditures for the Food Service Program. FSMC shall provide copies of all actual invoices for purchases from each vendor, along with a reconciled monthly statement with costs listed in the following categories: (a) management fee; (b) administrative fee; and (c) operating expenses. Payment shall be due within thirty (30) days of the monthly invoice. All overdue invoices are subject to finance charges as the parties shall agree in writing. Finance charges cannot be paid from the non-profit food service account.

II. SIGNATURE AUTHORITY

- A. The SFA shall retain signature authority for the application/agreement to participate in the NSLP, and/or SBP, and/or SMP, and/or SFSP including, but not limited to the School Meals Program Year End Report (A and/or R), Application Renewal, the Verification of Application Form, and letters to the MDE to amend the application.
- B. The SFA shall retain signature authority for the Monthly Claim for Reimbursement.

- C. The SFA shall not delegate signature authority to the FSMC in any of the areas identified in paragraphs A and B above.

III. FREE AND REDUCED PRICE MEALS POLICY

- A. The SFA shall be responsible for or may delegate to the FSMC the establishment and maintenance of the free and reduced price meals eligibility roster.
- B. The FSMC shall implement an accurate point of service meal/milk count using the meal counting system submitted by the SFA in its application to participate in the Child Nutrition Programs and approved by the MDE, as required under 7 CFR Part 210.8. Such meal/milk counting system must eliminate the potential for the overt identification of free and reduced price eligible students under 7 CFR Part 245.8. The SFA shall evaluate the monthly meal claim information submitted by the FSMC and verify that the information is accurate before submitting a claim for reimbursement.
- C. The SFA shall be responsible for or may delegate to the FSMC the development, distribution, and collection of the parent letter and application for free and reduced price meals and/or free milk.
- D. The SFA shall be responsible for or may delegate to the FSMC the responsibility for accessing the direct certification report available from the Center for Educational Performance and Information (CEPI) each year of eligible students for free meals. Students on this report will not require an application from the parent/guardian.
- E. The SFA shall be responsible for or may delegate to the FSMC the responsibility for the determination of eligibility for free and reduced price meals and free milk and will not disclose confidential information that is not needed for meal counts from free and reduced price meal applications and/or the direct certification list, if used, as required under 7 CFR 210.16(a). The SFA will provide the FSMC with a list of children and their category of eligibility. This list must be updated when changes occur in a student's eligibility status.
- F. The SFA shall be responsible for conducting any hearings related to determinations regarding eligibility for free and reduced price meals and free milk.
- G. The SFA shall be responsible for or may delegate to the FSMC the responsibility for verifying applications for free and reduced price meals, as required by federal regulations.
- H. The SFA shall be responsible for performing the annual on-site review.

- I. The SFA shall retain responsibility for completing the tasks described in paragraphs B, F, and H and may delegate those tasks in paragraphs A, C, D, E, and G to the FSMC to complete on its behalf.

IV. USDA DONATED COMMODITY FOOD

- A. The Troy School District receives Cash in Lieu of Commodities instead of the actual commodity items. When bonus commodities are available, the District is eligible to receive them.
 1. The SFA receives entitlement funds quarterly from USDA based on the previous year's reimbursable meals served.
 2. The entitlement funds received must be used for the food items specified by the periodic reports sent to the SFA by USDA, which indicate the specific food item that must be purchased within a certain time period.
 3. It is, therefore, crucial that the FSMC and the SFA work together in developing the menu for reimbursable lunches, as the specified food items must be included on the menu and used by a particular date.
 4. Copies of invoices and/or velocity reports, along with product descriptions and product origins must be provided by the FSMC to the SFA for reporting purposes to USDA.
- B. Any USDA donated commodity food received by the SFA and made available to the FSMC must accrue solely to the benefit of the SFA's non-profit school food service program and shall be fully utilized therein.
- C. The SFA shall retain title to all USDA donated commodity food.
- D. The FSMC is prohibited from entering into any processing contracts utilizing USDA donated commodity food on behalf of the SFA.
- E. The FSMC shall select, accept, and use USDA donated commodity food in as large quantities as may be efficiently utilized in the SFA's non-profit food service, subject to approval of the SFA. The FSMC will use all donated ground beef and ground pork products, and all processed end products in the SFA's food service, and all other donated commodity foods or commercially purchased foods of the same generic identity, of U.S. origin, in the SFA's food service.
- F. The FSMC shall account for all USDA donated commodity food separately from purchased food unless the SFA has chosen not to maintain a separate inventory. The FSMC is required to maintain accurate and complete records with respect to the receipt, use/disposition, storage, and inventory of all USDA donated commodity food. The FSMC shall submit to the SFA monthly inventory reports showing all transactions for processed and non-processed USDA donated commodities. The FSMC will ensure that its system of inventory management will not result in the SFA being charged for donated commodity foods. Quarterly physical inventories of all donated commodities must be conducted by the FSMC and supervised by the SFA. Failure by the

FSMC to maintain the required records under this contract shall be considered prima facie evidence of improper distribution or loss of the USDA donated commodity food.

- G. The FSMC shall have records available to substantiate that the full value of all USDA donated commodity food is used solely for the benefit of the SFA. The FSMC must provide all documents as necessary for the independent auditor, MDE Reviewers, or agents of USDA who may perform onsite reviews of the food service management company's food service operation to ensure compliance with the requirements for the management and use of USDA donated commodity foods.
- H. The SFA must provide the FSMC with a copy of the quarterly Recipient Entitlement Balance Report from MDE and/or Consortia.
- I. The values of all USDA donated commodity foods are to be based on the values at the point the SFA receives the commodities from the Distributing Agency and are to be based on the USDA Commodity Value Listing pertinent to the time period. This listing is available from the Michigan Department of Education, Fiscal Management and Food Distribution Program at the following website:
http://www.michigan.gov/mde/0,1607,7-140-6530_6569-19567--,00.html
- J. A year-end reconciliation shall be conducted by the SFA to ensure and verify correct and proper credit has been received for the full value of all USDA donated commodity food received for use by the FSMC during the school year. The SFA reserves the right to conduct commodity credit audits throughout the year to ensure compliance with federal regulations 7 CFR 210 and 7 CFR 250.
- K. The FSMC shall accept liability for any negligence on its part that results in any loss of, improper use of, or damage to, USDA donated commodity food and shall credit the SFA either monthly or through a year-end reconciliation.
- L. The SFA and FSMC shall consult and agree on end products to be produced from USDA donated commodity food during the time of this agreement. If an agreement cannot be reached, the FSMC shall utilize the donated commodities in the form furnished by the USDA.

V. HEALTH CERTIFICATIONS

- A. The SFA shall maintain all applicable health certifications on its facilities and shall ensure that all state and local regulations are being met by the FSMC preparing or serving meals at any SFA facility.
- B. The FSMC shall maintain for the duration of the contract, state and/or local health certifications for any facility outside the SFA in which it proposes to

prepare meals and shall maintain this health certification for the duration of the contract as required under 7 CFR 210.16(c).

VI. MEALS

- A. The FSMC shall serve meals on such days and at such times as requested by the SFA.
- B. The SFA shall retain control of the quality, extent, and general nature of the food service.
- C. The FSMC shall offer free, reduced price, and paid reimbursable meals to all eligible children participating in the SBP and/or NSLP, and/or SFSP.
- D. In order for the FSMC to offer a la carte food service, the FSMC must offer free, reduced price, and paid reimbursable meals to all eligible children.
- E. The FSMC shall serve reimbursable lunches, breakfasts, and snacks pursuant to the SBP, NSLP, and/or SFSP, where indicated on the enclosed *The School District Information* forms.
- F. The FSMC shall serve reimbursable milk pursuant to the SMP, where indicated on the enclosed *The School District Information* forms.
- G. The FSMC shall promote maximum participation in the Child Nutrition Programs.
- H. The FSMC shall provide the specified types of service in the schools/sites listed in *The School District Information* forms, which is hereby in all respects made a part of this contract.
- I. The FSMC shall sell on the premises only those foods and beverages authorized by the SFA and only at the times and places designated by the SFA.
- J. No payment will be made to the FSMC for meals that are spoiled or unwholesome at the time of delivery, do not meet detailed specifications as developed by the SFA for each food component in the meal pattern in accordance with 7 CFR 210, or that do not otherwise meet the requirements of the contract.

VII. BOOKS AND RECORDS

- A. The FSMC shall maintain such records (supported by invoices, receipts, or other evidence) as the SFA will need to meet monthly reporting responsibilities and shall submit monthly bills/invoices in a format approved by the SFA no later than ten (10) calendar days of the succeeding month in which services were rendered. Participation records shall be submitted in a

timely manner to facilitate claims submission no later than the tenth (10th) day of the succeeding month in which services were rendered. The SFA shall perform edit checks on the participation records provided by the FSMC prior to the preparation and submission of the claim for reimbursement.

- B. The FSMC shall maintain records at the SFA to support all allowable expenses appearing on the monthly bill/invoice.
- C. The SFA and the FSMC must provide all documents as necessary for the independent auditor, MDE Reviewers, or agents of USDA to conduct the SFA's single audit.
- D. Books and records of the FSMC pertaining to the Child Nutrition Program operations shall be made available, upon demand, in an easily accessible manner for a period of three (3) years from the end of the contract term (including renewals) to which they pertain, for audit, examination, excerpts, and transcriptions by the SFA and/or any state or federal representatives and auditors, or longer should any audit for that time still be open.
- E. If audit findings regarding the FSMC's records have not been resolved within the three (3) year record retention period, the records must be retained beyond the three (3) year period, for as long as required for the resolution of the issues raised by the audit.
- F. The FSMC shall not remove state or federal required records from SFA premises upon contract termination.
- G. The SFA shall conduct a quarterly internal review of all records and documentation associated with the procurement of food and non-food items to ensure that the FSMC is complying with all applicable competitive procurement procedures according to 7 CFR Parts 3016 and 3019.
- H. The FSMC shall surrender to the SFA upon termination of the contract all records pertaining to the operation of the food service, to include all food and non-food inventory records, menus, production records, product invoices, claim documentation, financial reports, and procurement documentation. The records shall be in appropriate order and complete to the extent necessary to reconstruct individual cost of prior FSMC billings.
- I. FSMC shall purchase all food and other supplies required under this contract on the SFA's behalf. Title thereto shall remain with the SFA at all times. Such food and supplies shall be kept separate and apart from other SFA property unless the SFA has chosen not to maintain a separate inventory. FSMC and SFA shall jointly inventory all purchased food and supplies at both the beginning and the end of this contract's term. The SFA shall have access to the records of the food and supplies purchased to review and audit as it deems necessary.

- J. FSMC shall purchase all food and supplies for the SFA at the lowest prices possible consistent with maintenance of quality standards prescribed by the SFA, including taking advantage of all local trade discounts. All such transactions shall meet USDA procurement standards.

VIII. EMPLOYEES

- A. The SFA shall have final approval authority regarding the FSMC's hiring of a site manager.
- B. The FSMC shall comply with all wage and hours of employment requirements of federal and state laws. The FSMC shall be responsible for supervising and training personnel, including SFA employed staff. Supervision activities include employee and labor relations, personnel development, and hiring and termination of FSMC management staff. The FSMC shall also be responsible for the hiring and termination of non-management staff who are employees of the FSMC. The FSMC shall maintain its own personnel and fringe benefits policies for its employees. All such policies shall be subject to SFA review upon demand.
- C. The FSMC shall provide Workers' Compensation coverage for its employees.
- D. The FSMC shall instruct its employees to abide by the policies, rules, and regulations, with respect to use of the SFA's premises as established by the SFA and which are furnished in writing to the FSMC.
- E. The FSMC shall maintain its own personnel and fringe benefits policies for its employees, subject to review by the SFA.
- F. Staffing patterns shall be mutually agreed upon by the SFA and FSMC.
- G. The use of student workers or students enrolled in vocational classes in the food service shall be mutually agreed upon.
- H. The FSMC shall not hire employees in excess of the number required for efficient operation.
- I. The FSMC shall provide the SFA with a schedule of employees, positions, assigned locations, salaries, and hours to be worked, two (2) full calendar weeks prior to the commencement of operation.
- J. The SFA shall provide sanitary toilet and hand washing facilities for the employees of the FSMC.
- K. Pursuant to the requirements of Section 1230 and 1230a of the Michigan Revised School Code, the SFA shall perform a criminal history check through the Michigan State Police, as well as a criminal records check through the

Federal Bureau of Investigation, with regard to all persons assigned by FSMC to regularly and continuously work in any of the SFA facilities. FSMC agrees that it shall not assign any of its employees, agents, or other individuals to perform any services under this Agreement where such individuals would regularly and continuously work in the SFA facilities if such person has been convicted of any of the following offenses:

- a. Any "listed offense" as defined under Section 2 of the Michigan Sex Offenders Registration Act, MCL 28.722; or
- b. Any offense enumerated in Sections MCL 380.1535a or 380.1539b or the Revised School Code, MCL 380.1535a; 380.1539b (for positions requiring State Board of Education approval; or
- c. Any offense of a substantially similar enactment of the United States or another State; or
- d. Any felony. Provided that with prior written approval of the SFA's Superintendent and its Board of Education an individual regularly and continuously providing services under this Agreement at the SFA may be permitted to perform such services when, in the judgment of the Superintendent and Board of Education of the SFA, such individual's presence will not pose a danger to the safety or security of the SFA students or employees; or
- e. Any offense that would, in the judgment of the SFA create a potential risk to the safety and security of the students served by the SFA or employees of the SFA.

The SFA reserves the right to refuse FSMC's assignment of any individual, agent, or employee of FSMC to render services under this Agreement where the criminal record history of the individual (including any pending criminal charges) indicate, in the SFA's judgment, unfitness to perform services under this Agreement.

The FSMC agrees that it shall pay the costs associated with criminal history checks and criminal records checks required under this contract and which are accomplished in order to comply with Section 1230 and 1230a of the Revised School Code with respect to FSMC's employees and agents.

- L. Notwithstanding the provisions of Section VIII and its subparts, the SFA may request in writing the removal of any employee of the FSMC who violates health requirements or conducts himself/herself in a manner, which is detrimental to the physical, mental, or moral well-being of the students.
- M. In the event of the removal or suspension of any such employee, the FSMC shall immediately restructure the food service staff without disruption of

service.

- N. All SFA and/or FSMC personnel assigned to each school shall be instructed in the use of all emergency valves, switches, fire, and safety devices in the kitchen and cafeteria areas.
- O. Neither party shall during the term of the contract or one year thereafter solicit to hire, hire, or contract with the other party's supervisory employees. If this provision is breached, the breaching party shall pay and the injured party shall accept as liquidated damages an amount equal to six (6) months of the annual wages of the relevant employee.

IX. DESIGNATION OF PROGRAM EXPENSE

- A. The FSMC guarantees to the SFA that the bid price per meal and meal equivalent shall include the expenses as designated under the FSMC column of the *Cost Responsibility Detail Sheet*. The FSMC shall be responsible for negotiating/paying all employees' fringe benefits, employee expenses, and accrued vacation and sick pay for staff on their payroll.
- B. The SFA shall pay those expenses as designated under the SFA column of the *Cost Responsibility Detail Sheet*.

X. PAYMENT AND FEES

- A. All bids shall be calculated based on the information provided by the SFA in the *Information Section* of this solicitation. All bids shall be submitted using the Bid Sheet – Cost Reimbursable Contract form.
- B. Allowable costs will be paid to the FSMC from the SFA's non-profit food service account. Such payment will be net of all discounts, rebates, and other applicable credits accruing to or received by the FSMC and any assignee under the contract, to the extent those credits are allocable to the allowable portion of the costs billed to the SFA.
- C. The FSMC must designate its costs to the SFA as follows:
 - a. For each cost submitted for payment to the SFA, the amount of that cost that is allowable (i.e., can be paid from the SFA's non-profit school food service account) and the amount that is unallowable (i.e., cannot be paid from the SFA's non-profit school food service account); or
 - b. The FSMC must exclude all unallowable costs from its billing documents and certify that: (1) only allowable costs are submitted for payments; and (2) records have been established that maintain the visibility of unallowable costs, including directly associated costs, in a manner suitable for contract cost determination and verification.

- D. The FSMC's determination of its allowable costs must be made in compliance with applicable USDA and program regulations, and United States Office of Management and Budget cost circulars.
- E. The FSMC must identify the amount of each discount, rebate, and other applicable credit on bills or invoices presented to the SFA for payment and individually identify the amount as a discount, rebate, or in the case of other applicable credits, the nature of the credit.
- F. The FSMC shall identify the method by which it will report discounts, rebates, and other applicable credits allocable to the contract which are not reported before the contract's termination.
- G. The FSMC shall maintain documentation of costs and discounts, rebates, and other applicable credits, which shall be furnished upon request to the SFA, MDE, and/or the USDA.
- H. The FSMC must credit the SFA monthly for the value of all donated foods received for use in the school year (including both entitlement and bonus foods), and including the value of donated foods contained in processed end products. Credit issued by the FSMC to the SFA for USDA donated commodity foods received shall be recorded on the monthly bill/invoice as a separate line item and shall be clearly identified and labeled.
- I. The FSMC and SFA shall determine a la carte meal equivalents by dividing the net a la carte and catering revenue by the sum of the Federal free lunch reimbursement plus the value of USDA entitlement and bonus-donated foods. This equivalent factor will be adjusted annually by taking the sum of the Federal free lunch reimbursement plus the value of USDA entitlement and bonus-donated foods. The revenue shall include catering sales, adult meals, and a la carte sales to students and adults **less sales tax**
- J. The FSMC shall submit separate billing for special functions conducted outside of the nonprofit school food service account.

XI. MONITORING

- A. The SFA shall monitor the food service operation of the FSMC through periodic on-site visits to ensure that the food service is in conformance with all USDA program regulations.
- B. The records necessary for the SFA to complete the required monitoring activities must be maintained by the FSMC under this contract, and must be made available to the Auditor General, the USDA, the MDE, and the SFA upon request for the purpose of auditing, examination, and review.

XII. USE OF ADVISORY GROUP/MENUS

- A. The FSMC shall participate in the formation and establishment and periodic meetings of the SFA advisory board, comprised of students, teachers, and parents, to assist in menu planning.
- B. The FSMC must comply with the twenty-one (21) day menu developed by the SFA for NSLP, and/or SBP, included in the request for bid/proposal. Any changes made by the FSMC after the first twenty-one (21) day menu for the NSLP and/or SBP may be made only with the approval of the SFA. The SFA shall approve the menus no later than two (2) weeks prior to service.

XIII. USE OF FACILITIES, INVENTORY, EQUIPMENT, AND STORAGE

- A. The SFA will make available without any cost or charge to the FSMC, area(s) of the premises agreeable to both parties in which the FSMC shall render its services.
- B. Per 7 CFR 210.11, competitive foods means any foods sold in competition with the Program to children in food service areas during the lunch periods. The SFA may request of the FSMC additional food service programs; however, the SFA reserves the right, at its sole discretion, to sell or dispense food or beverages provided such use does not interfere with the operation of the Child Nutrition Programs. However, this does not include the expansion of food service operations outside the confines of the school/school district, such as expansion to non-affiliated charter schools, non-public, or neighboring public schools, which were not part of the original bid.
- C. The FSMC and the SFA shall inventory the equipment and commodities owned by the SFA, including but not limited to, silverware, trays, chinaware, glassware, and kitchen utensils. This will be performed at the beginning of the contract and at the beginning of each successive school year if the renewal option is utilized.
- D. The FSMC shall maintain the inventory of silverware, chinaware, kitchen utensils, and other operating items necessary for the food service operation and at the inventory level as specified by the SFA.
- E. The SFA will replace expendable equipment and replace, repair, and maintain non-expendable equipment except when damages result from the use of less than reasonable care by the employees of the FSMC.
- F. The SFA will have final, prior approval authority for the purchase of all equipment to be used in the storage, preparation, and delivery of school meals. Title to the property must be vested with the SFA when the equipment is placed in service by the FSMC. Upon written agreement of the parties, the purchase amount shall be amortized on a straight line depreciation basis beginning on the date upon which the equipment is placed

in service, for a length of time upon which the parties shall mutually agree. If the agreement is terminated or non-renewed for any reason prior to full amortization, the SFA may: (1) retain the property and continue to make payments in accordance with the amortization schedule; or (2) return the property to the FSMC in full release of the unpaid balance.

- G. The FSMC shall maintain adequate storage practices, inventory, and control of USDA donated foods in conformance with the SFA's agreement with the Michigan Department of Education.
- H. The SFA shall provide the FSMC with local telephone service.
- I. The SFA shall furnish and install any equipment and/or make any structural changes needed to comply with federal, state, or local laws, ordinances, rules, and regulations.
- J. The SFA shall be responsible for any losses including USDA donated foods, which may arise due to equipment malfunction or loss of electrical power not within the control of the FSMC.
- K. All food preparation and serving equipment owned by the SFA shall remain on the premises of the SFA.
- L. The SFA shall not be responsible for loss or damage to equipment owned by the FSMC and located on the SFA premises.
- M. The FSMC shall notify the SFA of any equipment belonging to the FSMC on SFA premises within ten (10) days of its placement on SFA premises.
- N. The SFA shall have access, with or without notice, to all of the SFA's facilities used by the FSMC for purposes of inspection and audit.
- O. The FSMC shall not use the SFA's facilities to produce food, meals, or services for other organizations without the approval of the SFA. If such usage is mutually agreeable, there shall be a signed agreement, which stipulates the fees to be paid by the FSMC to the SFA for such facility usage.
- P. The SFA, on the termination or expiration of the contract, shall conduct a physical inventory of all equipment and commodities owned by the SFA.
- Q. The FSMC shall surrender to the SFA upon termination of the contract, all SFA equipment and furnishings in good repair and condition.

XIV. PURCHASES

- A. The FSMC shall purchase all food and non-food commodities at the lowest price possible consistent with maintaining quality standards and in full

compliance with Office of Management and Budget (OMB) Circulars A-87 and A-110, 7 CFR Parts 210, 215, 220, 225, 245, 250, 3016, and 3019.

- B. This contract shall not prevent the SFA from participating in food consortia or purchasing food from vendors with whom the FSMC normally does not do business.

XV. SANITATION

- A. The FSMC shall place garbage and trash in containers in designated areas as specified by the SFA.
- B. The SFA shall remove all garbage and trash from the designated areas.
- C. The FSMC shall clean the kitchen and dining room areas as indicated on the *Cost Responsibility Detail Sheet*.
- D. The FSMC shall operate and care for all equipment and food service areas in a clean, safe, and healthy condition in accordance with the standards acceptable to the SFA and comply with all applicable laws, ordinances, regulations, and rules of federal, state, and local authorities, including laws related to recycling.
- E. The SFA shall clean ducts and hoods above the filter line.
- F. The SFA shall provide extermination services as needed.
- G. The FSMC shall comply with all local and state sanitation requirements in the preparation of food.

XVI. LICENSES, FEES, AND TAXES

- A. The FSMC shall be responsible for paying all applicable taxes and fees, including but not limited to, excise tax, state and local income tax, and payroll and withholding taxes for FSMC employees. The FSMC shall hold the SFA harmless for all claims arising from payment of such taxes and fees. The extent of responsibility is designated in the cost responsibility attachment to this document.
- B. The FSMC shall obtain and post all licenses and permits as required by federal, state, and/or local law.
- C. The FSMC shall comply with all SFA building rules and regulations.

XVII. INSURANCE AND INDEMNIFICATION

- A. The FSMC shall obtain and keep in force during the term of this Agreement,

for the protection of the SFA and FSMC, and naming the SFA as an additional insured, Comprehensive General Liability Insurance to include but not limited to Personal Injury Liability, Property Damage Liability, Contractual Liability, and Products Liability, covering only the operations and activities of the FSMC under this agreement. Minimum coverage shall be \$1,000,000 per incident/per person.

- B. A Certificate of Insurance of the FSMC's insurance coverage, indicating the specified amounts, must be submitted at the time of award. The FSMC shall provide the SFA copies of all applicable insurance policies at the time of award. All insurance required as a result of a response to this RFP shall provide that the insurer will provide notice of cancellation directly to the SFA thirty (30) days before such cancellation occurs.
- C. The SFA shall keep its buildings, including the premises, and all property contain therein insured against loss or damage by fire, explosion, and similar casualties.
- D. The FSMC shall provide worker's compensation and unemployment insurance for its employees as specified in the *Cost Responsibility Detail Sheet*.
- E. The FSMC shall indemnify and hold harmless the SFA, or any employee, director, or agent of the SFA, from and against all claims, damages, losses, and expenses (including attorneys' fees and court costs incurred to defend litigation), decrees or judgments whatsoever arising from any and all injuries, including death or damages to or destruction of property, resulting from the FSMC's acts, or omissions, willful misconduct, or breach of the FSMC's obligations under the Agreement by the FSMC and its agents, servants or employees, or other persons under its supervision or direction.
- F. The FSMC shall not be required to indemnify or hold harmless the SFA from any liability or damages arising from the SFA's sole acts or omissions.

XVIII. PROPRIETARY INFORMATION

- A. During the term of the Agreement, the FSMC may grant to the SFA a nonexclusive right to access certain proprietary materials of the FSMC, including, but not limited to signage, operating or other manuals, recipes, menus and meal plans, and computer programs relative to or utilized in the FSMC's business or the business of any affiliate of the FSMC.
- B. To the extent permitted by law, the SFA shall not disclose any of the FSMC's proprietary information or other confidential information, directly or indirectly, during or after the term of the Agreement. The SFA shall not photocopy or otherwise duplicate any such material without the prior written consent of the FSMC. All trade secrets and other confidential information shall remain the exclusive property of the FSMC and shall be returned to the FSMC immediately upon termination of the agreement.

- C. The SFA agrees that all proprietary computer software programs, marketing, and promotional literature and materials used by the FSMC and the SFA's premises in connection with the food services provided by the FSMC under this Agreement shall remain the property of the FSMC.
- D. Upon termination of the contract, all use of trademarks, service marks, and logos owned by the FSMC or licensed to the FSMC by third parties shall be discontinued by the SFA, and the SFA shall immediately return to the FSMC all proprietary materials.
- E. The FSMC acknowledges that during the course of this contract, the FSMC shall have access to business systems, techniques, and methods of operation developed at great expense by the SFA. The FSMC recognizes these to be unique assets of the SFA's business. The FSMC agrees to keep such information confidential and shall not disclose such information directly or indirectly during or subsequent to the term of this Agreement.

XIX. NON-DISCRIMINATION

The parties to this contract agree not to discriminate against any employee, applicant for employment, student, or other recipient of services under this contract, due to race, color, religion, sex, national origin, age, height, weight, disability, marital status or veteran status, or other legally protected classification. Breach of this section shall be regarded as material breach of this contract.

XX. EMERGENCY CLOSING

- A. The SFA shall notify the FSMC of any interruption in utility service of which it has knowledge.
- B. The SFA shall notify the FSMC of any delay in the beginning of the school day or the closing of school(s) due to snow or other emergency situations.

XXI. TERM AND TERMINATION

- A. This contract shall become effective on July 1, 2009 or upon written acceptance of the contract by the Michigan Department of Education, whichever occurs last, and terminate on June 30, 2010 with up to four (4) one-year renewals with mutual agreement between the SFA and the FSMC. Per 7 CFR 250.53 (a) (12), contract extensions or renewals are contingent upon the fulfillment of all contract provisions relating to USDA donated commodity foods.
- B. The SFA or the FSMC may terminate the contract for cause by giving sixty (60) days written notice.

- C. Neither the FSMC nor the SFA shall be responsible for any losses resulting if the fulfillment of the terms of the contract shall be delayed or prevented by wars, acts of public enemies, strikes, fires, floods, acts of God, or for any acts not within the control of the FSMC or the SFA, respectively, and which by the exercise of due diligence they were unable to prevent.

XXII. NON-PERFORMANCE BY FSMC

- A. In the event of the FSMC's non-performance under this contract and/or the violation or breach of the contract terms, the SFA shall have the right to pursue all administrative, contractual, and legal remedies against the FSMC and shall have the right to seek all sanctions and penalties as may be appropriate.
- B. The FSMC shall pay to the SFA the full amount of any meal overclaims and fees associated with those overclaims, which are attributable to the FSMC's negligence, including those overclaims and associated fees based on review or audit findings, which occurred during the effective dates of the original and renewal years of the contract.

XXIII. CERTIFICATIONS

- A. The FSMC shall comply with the mandatory standards and policies relating to energy efficiency, which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-163).
- B. The FSMC shall comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (the "Act"), 40 U.S.C §§ 327-330, as supplemented by the Department of Labor regulations, 29 CFR, Part 5. Under Section 103 of the Act, the FSMC shall be required to compute the wages of every laborer on the basis of a standard workday of eight (8) hours and a standard workweek of forty (40) hours. Work in excess of the standard workday or standard workweek is permissible provided that the worker is compensated at a rate of not less than 1-1/2 times the basic rate of pay for all hours worked in excess of eight (8) hours in any calendar day or forty (40) hours in any workweek.
- C. The FSMC shall comply with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in Department of Labor regulations, 41 CFR, Part 60.
- D. The FSMC shall comply with all applicable civil rights laws, as amended, which include but are not limited to: Title VI and Title VII of the Civil Rights Act of 1964; Title IX of the Education Amendments of 1972; Section 504 of the Rehabilitation Act of 1973; the Age Discrimination Act of 1975; 7 CFR Parts 15, 15a, and 15b; the Americans with Disabilities Act; FNS Instruction

113-1, Civil Rights Compliance and Enforcement – Nutrition Programs and Activities; the Michigan Elliott-Larsen Civil Rights Act; and the Michigan Persons with Disabilities Civil Rights Act.

- E. The FSMC shall comply with the Buy American provision for contracts that involve the purchase of food products with Federal funds, 7 CFR, Part 250.23.
- F. The FSMC **has signed** the Certification of Independent Price Determination, which was attached as an addendum to the FSMC's bid and which is incorporated herein by reference and made a part of this contract.
- G. The FSMC **has signed** the Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion, which was attached as an addendum to the FSMC's bid and which is incorporated herein by reference and made a part of this contract.
- H. The FSMC **has signed** the Certification Regarding Clean Water and Air, which was attached as an addendum to the FSMC's bid and which is incorporated herein by reference and made a part of this contract.
- I. The FSMC **has signed** the Certification Regarding Disclosure of Lobbying Activities, which was attached as an addendum to the FSMC's bid and which is incorporated herein by reference and made a part of this contract.

XXIV.MISCELLANEOUS

- A. Except as otherwise expressly stated, this contract shall be construed under the laws of the State of Michigan. Any action or proceeding arising out of this contract shall be heard in the appropriate courts within the State of Michigan.
- B. The FSMC shall comply with the provisions of the bid specifications, which are hereby **in all respects made a part of this contract**.
- C. No provision of this contract shall be assigned or subcontracted without prior written consent of the SFA.
- D. No waiver of any default shall be construed to be or constitute a waiver of any subsequent claim.
- E. Any silence, absence, or omission from the contract specifications concerning any point shall be regarded as meaning that only the best commercial practices are to prevail and that only materials (e.g., food, supplies, etc.) and workmanship of a quality that would normally be specified by the SFA are to be used.

- F. Payments on any claim shall not preclude the SFA from making a claim for adjustment on any item found not to have been in accordance with the provisions of this contract and bid specifications.
- G. The SFA shall be responsible for ensuring the resolution of program review and audit findings.
- H. This contract is subject to review and approval by the Michigan Department of Education, Fiscal Management and Food Distribution Program.

AGREEMENT PAGE

This bidder certified that he/she shall operate in accordance with all applicable State and Federal laws and regulations.

This solicitation/contract, attachments, and the RFP proposal of the successful bidder, with addenda, if any, constitute the entire agreement between the SFA and FSMC. The parties shall not execute any additional contractual documents pertaining to this RFP, except as permitted by applicable law.

This Agreement shall be in effect for one year and may be renewed by mutual agreement for four (4) additional one-year periods.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their duly authorized representative on this day and year.

ATTEST:

Signature of Witness for SFA

SCHOOL FOOD AUTHORITY:

Signature of SFA Representative

Name

Title

Date

ATTEST:

Signature of Witness for FSMC

FOOD SERVICE MANAGEMENT COMPANY:

Signature of FSMC Representative

Name

Title

Date

SUCCESSFUL BIDDER CERTIFICATIONS

These forms have been completed by each food service management company and posted to the following website:

http://www.michigan.gov/mde/0,1607,7-140-6530_6569-19568--,00.html

Certificate of Independent Price Determination

Suspension and Debarment Certification

Clean Air and Water Certificate

Disclosure of Lobbying Activities

They are listed by name of the management company. When the SFA determines the recommended successful bidder, it will need to download the management company's signed certificates. The Certificate of Independent Price Determination will need to be signed by the SFA and submitted with the final contract for MDE approval.

A copy of each certificate will be retained by the school district for its file.

Bid Point Calculator and Evaluation Criteria Matrix							
		Company Name					
	<div> Maximum Points 100 High Points Wins Contract </div>						
	Bid Calculation and Evaluation Criteria						
	Bid (list bid price per meal/meal equivalent from lowest to highest)						
	Subtract lowest bid from bid above	0.00	0.00	0.00	0.00	0.00	0.00
	Divide answer from above by lowest bid	-	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Subtract answer above from 1	1.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
51	Multiply answer above by 51 or more	51.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Pts. Below	-List Non-Price Criteria Below- (points will total 100 when added to Bid Points)						
12	Management Candidate						
	Experience working in SF Service; 5 years or more (3 pts)						
	Experience with menu development and special events (3 pts)						
	Experience in staffing K-12 Breakfast/Lunch Programs (2 pts)						
	Experience w/Gvt. Reports; ie. Free/Reduced, etc. (2 pts)						
	Unsolicited Site Visits (2 pts)						
6	Past Performance						
	Profit & Loss Statements of Similar Sized Accts. (3 pts)						
	Results of CRE Reports for Same Districts (3 pts)						
6	Integrity of Projected Operating Budget/Forecast						
	Monitoring of Food Costs (2 pts)						
	Monitoring of Labor Costs (2 pts)						
	Monthly Financial Reports (2 pts)						
6	FSMC Guarantees (Guaranteed Returns)						
	Projected Break-even FSBudget/Guaranteed NO LOSS (2 pts)						
	Integrity of Projected Operating Budget/Forecast (2 pts)						
	Settlement of Losses and/or Surpluses (2 pts)						
17	FSMC Support and Back-up						
	Management Support and Staff Training (2 pts)						
	Communication & Relationships w/District/Staff/Parents/ and Community (3 pts)						
	Resources for Marketing/Merchandising (2 pts)						
	Nutritional & Allergy Awareness to Students/Parents (2 pts)						
	Ways to increase participation (2 pts)						
	Example of District Wellness Policies (2 pts)						
	List of Staff Training Classes (2 pts)						
	HACCP Implementation (2 pts)						
2	Plan of Operation						
	Experience of working with Comalex POS System (2 pts)						
100	TOTAL	51.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

CURRENT STAFFING PATTERNS

SFA Employees (SY 2008-09)

School Building	Job Title	Annual Hours to be Worked	Total Wages/Annual Compensation/ Benefits
Barnard Elementary	Helper - 1 @ 4 hours @ Day	900	13,618.54
Bemis Elementary	Helper - 1 @ 4 hours @ Day	623	12,315.59
Costello Elementary	Helper - 1 @ 4 hours @ Day	831	10,969.87
Hamilton Elementary	Helper - 1 @ 4 hours @ Day	776	10,111.56
Hill Elementary	Helper - 1 @ 4 hours @ Day	918	11,709.31
Leonard Elementary	Helper - 1 @ 4 hours @ Day	914	11,508.63
Martell Elementary	Helper - 1 @ 4 hours @ Day	746	8,998.10
Morse Elementary	Helper - 1 @ 4 hours @ Day	871	14,907.12
Schroeder Elementary	Helper - 1 @ 4 hours @ Day	865	10,783.40
Troy Union Elementary	Helper - 1 @ 4 hours @ Day	1,014	11,787.59
Wass Elementary	Helper - 1 @ 4 hours @ Day	712	9,596.34
Wattles Elementary	Helper - 1 @ 4 hours @ Day	848	13,425.46
Baker Middle School	Manager - 1 @ 8 hours @ Day Cook/Baker - 1 @ 5 hrs. @ Day Helpers - 3 @ 3.5 hrs. @ Day Each	6,417	91,558.29
Boulan Middle School	Manager - 1 @ 8 hours @ Day Cook/Baker - 1 @ 5 hrs. @ Day Helpers - 5 @ 3.5 hrs. @ Day Each	6,250	98,945.38
Larson Middle School	Manager - 1 @ 8 hours @ Day Cook/Baker - 1 @ 5 hrs. @ Day Helpers - 5 @ 3.5 hrs. @ Day Each	6,506	109,199.76
Smith Middle School	Manager - 1 @ 8 hours @ Day Cook/Baker - 1 @ 5 hrs. @ Day Helpers - 3 @ 3.5 hrs. @ Day Each	4,413	81,018.48
Athens High School	Manager - 1 @ 8 hours @ Day Cook/Baker - 1 @ 5 hrs. @ Day Helpers - 11 @ 4.0 hrs. @ Day Each	12,227	170,811.70
Troy High School	Manager - 1 @ 8 hours @ Day Cook/Baker - 1 @ 5 hrs. @ Day Helpers - 11 @ 4.00 @ Day Each	12,374	182,974.75
International Academy East	Cook/Baker - 1 @ 5 hours @ Day	1,326	19,170.58
Catering Company	Cook/Baker - 2 @ 5 hrs. @ Day Each	2,220	37,319.86
Substitutes	Cooks/Secretary/Driver as Needed		23,097.23
Clerical & POS Staff	Secretary - 8 hrs. @ Day - 46 Weeks POS - 3.5 hrs. @ Day	368 586	56,891.42 20,162.98
Van Driver	8 hrs. - 224 Days	791	60,552.43
Manager - Salary/Fee/Ben.	211 Days Contracted Thru Tempory Support Services		97,330.48
Total	73 Total Staff		\$ 1,188,764.88

PROPOSED STAFFING PATTERNS BY FSMC

Completed by FSMC for Districts Requesting Transition of Employees to FSMC

[illegible]

PROJECTED COST INFORMATION

Based on 169 Days of Service in School Year 2008-09

EXPENSES : (From Food Service Account)

TOTAL COST

Food Cost-Including commodities delivery charge	1,618,036	
Labor - SFA Employees	792,401	
Labor - FSMC Employees		
Fringe Benefits - SFA Employees	299,034	
Fringe Benefits - FSMC Employees		
On-Site Manager Salary & Benefits-SFA employee	97,331	
Sub-Total Wages & Benefits		1,188,766
Contracted Services*	13,392	
Transportation Cost		
Non-Food (Supplies and Other Materials)	215,402	
Indirect Cost (Assigned to food service) - Based on 13.17% used 08-09	191,652	
Other: (Staff Development/Telephone/Finger Printing/Office Supplies/ Conferences/Dues & Fees)	37,655	
Total	3,264,903	

*FSMC Administrative Cost and FSMC Management Fee, if applicable, have not been included.
Provide a copy of the school district's School Meals Program Year End Report (SM-4012-A)
and annual audit for SY 2007-2008.

<u>SCHOOL DISTRICT INFORMATION: LUNCH PROGRAM...</u> <u>PROJECTED PRICES/COUNTS/OTHER INCOME</u> NSLP/CACFP/SFSP	
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School Building	Enrollment (Less Kdg.)	Meal Prices:		Counts			Projected Total for School Year
				*Reimbursable Meal ADP:			
		Adult	Student	Free	Reduced	Paid	A la Carte and Other Income
NSLP							
Barnard Elementary	460	3.25	2.25	34.52	7.10	149.33	4,500.16
Bemis Elementary	470	3.25	2.25	13.24	4.67	208.14	3,787.74
Costello Elementary	323	3.25	2.25	16.48	0.67	139.90	2,675.15
Hamilton Elementary	380	3.25	2.25	16.57	4.52	171.67	3,063.37
Hill Elementary	310	3.25	2.25	16.95	2.48	109.14	3,397.39
Leonard Elementary	446	3.25	2.25	17.14	1.43	171.19	5,125.36
Martell Elementary	340	3.25	2.25	8.33	5.76	146.24	2,764.61
Morse Elementary	385	3.25	2.25	64.71	10.90	143.43	1,239.33
Schroeder Elementary	449	3.25	2.25	4.71	0.86	176.76	6,704.83
Troy Union Elementary	459	3.25	2.25	41.29	20.10	178.76	3,211.39
Wass Elementary	379	3.25	2.25	29.48	6.48	115.86	2,739.35
Wattles Elementary	369	3.25	2.25	40.90	5.76	134.10	1,686.31
Baker Middle School	753	3.25/4.25	2.50/3.50	58.52	20.81	236.43	71,808.29
International Academy East							
Boulan Middle School	750	3.25/4.25	2.50/3.50	19.86	10.95	295.43	67,345.78
Larson Middle School	713	3.25/4.25	2.50/3.50	30.90	5.86	246.29	74,076.76
Smith Middle School	690	3.25/4.25	2.50/3.50	43.48	11.33	199.14	91,951.54
Athens High School	1,766	3.25/4.25	2.50/3.50	83.57	11.76	240.38	344,821.19
Troy High School	2,001	3.25/4.25	2.50/3.50	55.52	8.29	340.95	392,793.90
Total	11,443			596.17	139.73	3,403.14	1,083,692.45
CACFP							
Total				0.00	0.00	0.00	
SFSP							
Total				596.17	139.73	3,403.14	1,083,692.45
The ADP (Average Daily Participation) and A la Carte/Catering Information is based on data from a projection for the current school year (2008-09)							
using the month of October, 2008. Use this ADP to determine the number of projected lunches sold on the Revenue Information Sheet.							
for the entire school year. For example, the projected number of paid lunches sold is determined by taking the paid ADP above and multiplying it by the number of days of lunch indicated at the top of the Projected Revenue Information sheet.							
*Average Daily Participation (ADP) by building is calculated using the following formula: number of meals served divided by the number of service days per building							

PROJECTED REVENUE INFORMATION

Based on 169 Days of Lunch

LOCAL REVENUE

Breakfasts:	Number Sold:	Price:		
Elementary Paid				\$0.00
Secondary Paid				\$0.00
Reduced		0.30		\$0.00
Adult				\$0.00
Breakfast Revenue:				\$0.00
Lunches:				
Elementary Paid	311,724	2.25		\$701,378.73
Secondary Paid	263,407	3.00		\$790,220.34
Reduced	23,614	0.40		\$9,445.75
Adult				\$40,407.90
Lunch Revenue:				\$1,541,452.72
Special Milk				
Elementary Paid				\$0.00
Secondary Paid				\$0.00
Special Milk Revenue:			\$	-
*A la Carte Sales		= \$	1,083,693.91	\$ 1,187,612.01
Catering and Other Functions		= \$	46,025.46	
Other, i.e., Head Start, Senior Citizens, etc.		= \$	19,727.37	
Other Sponsors		= \$	-	
Summer Programs		= \$	-	
Total Local Revenue				\$2,690,899.46

*Includes income from vending machines, if applicable. (Not Applicable)

FEDERAL REIMBURSEMENTS:

	Number Sold:	Federal Rates for SY 2008-09			
Breakfasts: NSLP					
Free		1.40 \$	-	\$	0
Free, severe need		1.68 \$	-		
Reduced		1.10 \$	-		
Reduced, severe need		1.38 \$	-		
Paid		0.25 \$	-		
Breakfast: CACFP					
Breakfast A		1.40 \$	-		
Breakfast B		1.10 \$	-		
Breakfast C		0.25 \$	-		
Breakfast: SFSP					
		1.6925 \$	-		
Lunches: NSLP					
Free	100,753	2.57 \$	258,934.52	\$	448,209.06 699,498
Free, severe need		2.59 \$	-		
Reduced	23,614	2.17 \$	51,243.18		
Reduced, severe need		2.19 \$	-		
Paid	575,131	0.24 \$	138,031.36		
Paid, severe need		0.26 \$	-		
Lunches: CACFP					
Lunch A		2.7775 \$	-		
Lunch B		2.3775 \$	-		
Lunch C		0.4475 \$	-		

Lunches: SFSP	<u>2.9875</u>	\$	-		
Snacks: NSLP					
Free	<u>0.71</u>	\$	-	\$	0
Reduced	<u>0.35</u>	\$	-		
Paid	<u>0.06</u>	\$	-		
Snacks: CACFP					
Snack A	<u>0.71</u>	\$	-		
Snack B	<u>0.35</u>	\$	-		
Snack C	<u>0.06</u>	\$	-		
Snacks: SFSP	<u>0.7025</u>	\$	-		
Suppers: CACFP					
Type A	<u>2.7775</u>	\$	-	\$	-
Type B	<u>2.3775</u>	\$	-		
Type C	<u>0.4475</u>	\$	-		
Suppers: SFSP	<u>2.9875</u>	\$	-		
Total Meals Reimbursement		\$	448,209.06		
Special Milk:					
Paid	<u>0.1825</u>		0	\$	0
Free	<u>enter avg cost</u>				
Special Milk Reimbursement		\$	-		
Total Federal Reimbursement	\$	448,209.06			
31d Payment (State Aid Status Report)	\$	108,950.52			
Cash in Lieu of Commodities	\$	138,961.00			
31f Payment (State Aid Status Report)	\$	-			
Interest Income	\$	18,096.52			
Total Local Revenue	\$	2,690,899.46			
Total Revenue		\$	3,405,116.56		

These figures are based on projected revenue for the current school year (2008-09) using the month of **October, 2008**. Multiply the ADP from the SD Info - Breakfast and Lunch sheets by the number of days above to determine the number of projected meals sold.

PROJECTED MEALS/MEAL EQUIVALENTS CALCULATOR

Federal Free Lunch Rate	\$	2.5700	
+ Commodity Rate	\$	0.2075	
Total	\$	2.7775	
*A la carte and catering income	\$	1,187,612.01	
A la Carte/catering Meal Equivalents (Divide Income by Total)			427,583
Breakfasts Served			0
Lunches Served			699,498
Snacks Served			0
Suppers Served			0
*Total Meals and snacks served, A la Carte Meal Equivalents			1,127,081

A la Carte income includes any income from dining room operations which are not part of the Reimbursable Meals Program.

*The A la Carte and catering income, total meals, snacks, and meal equivalents is based on data from a projection for the current school year (2008-09) using the month of **October, 2009**.

SCHOOL DISTRICT INFORMATION: BUILDING DEMOGRAPHICS
AND SERVICE INFORMATION

~~See attached copy of October 2008 claim and other claims if applicable~~

School Building	Grades	Service Times		Breakfast Days/Year	Lunch Days/Year	Meal System NuMenus or Food Based
		Breakfast	Lunch			
Barnard Elementary	K-5	n/a	11:20 - 12:40	n/a	169	Traditional
Bemis Elementary	K-5	n/a	11:45 - 12:45	n/a	169	Traditional
Costello Elementary	K-5	n/a	11:40 - 12:25	n/a	169	Traditional
Hamilton Elementary	K-5	n/a	11:15 - 12:20	n/a	169	Traditional
Hill Elementary	K-5	n/a	11:50 - 12:20	n/a	169	Traditional
Leonard Elementary	K-5	n/a	11:10 - 12:50	n/a	169	Traditional
Martell Elementary	K-5	n/a	11:55 - 12:35	n/a	169	Traditional
Morse Elementary	K-5	n/a	11:15 - 12:35	n/a	169	Traditional
Schroeder Elementary	K-5	n/a	11:00 - 12:45	n/a	169	Traditional
Troy Union Elementary	K-5	n/a	11:35 - 12:25	n/a	169	Traditional
Wass Elementary	K-5	n/a	11:40 - 12:25	n/a	169	Traditional
Wattles Elementary	K-5	n/a	11:40 - 12:30	n/a	169	Traditional
Baker Middle School	6-8 Grades	n/a	11:10 - 12:40	n/a	169	Traditional
Boulan Middle School	6-8 Grades	n/a	11:05 - 12:40	n/a	169	Traditional
Larson Middle School	6-8 Grades	n/a	11:05 - 12:40	n/a	169	Traditional
Smith Middle School	6-8 Grades	n/a	11:05 - 12:35	n/a	169	Traditional
Athens High School	9 - 12 Grades	n/a	10:37 - 12:17	n/a	166	Traditional
Troy High School		n/a	10:37 - 12:17	n/a	166	Traditional

SCHOOL DISTRICT INFORMATION

The services that are indicated below with an "x" are to be provided at the following locations

School Building	Lunch	Offer vs Serve Lunch	Breakfast	Offer vs Serve Breakfast	A la Carte	Adult Meals	Split Session Kindergarten Special Milk
Barnard Elementary		X			X	X	
Bemis Elementary		X			X	X	
Costello Elementary		X			X	X	
Hamilton Elementary		X			X	X	
Hill Elementary		X			X	X	
Leonard Elementary		X			X	X	
Martell Elementary		X			X	X	
Morse Elementary		X			X	X	
Schroeder Elementary		X			X	X	
Troy Union Elementary		X			X	X	
Wass Elementary		X			X	X	
Wattles Elementary		X			X	X	
Baker Middle School		X			X	X	
International Academy East		X			X	X	
Boulan Middle School		X			X	X	
Larson Middle School		X			X	X	
Smith Middle School		X			X	X	
Athens High School		X			X	X	
Troy High School		X			X	X	

Cost Responsibility Detail Sheet

(To be completed by SFA)

Indicate with an "x" whether the cost will be paid by the FSMC, the School District, or whether the cost does not apply to the prospective contract.

<u>Areas of Responsibility</u>	<u>FSMC</u>	<u>SFA</u>	<u>N/A</u>
<u>Food</u>			
Food Purchases	X		
Commodity Delivery & Processing Charges			X
Storage/Warehousing Charges			X
Processing and Payment of Invoices	X		
<u>Non-Food</u>			
Cleaning/Janitorial Supplies		X	
Paper/Disposable Supplies	X		
Tickets/Tokens	X		
<u>Labor</u>			
FSMC Employees:			
Salary/Wages	X		
Fringe Benefits (Vacation, Sick Leave, Holiday Pay)	X		
Insurance (Life, Medical, Dental)	X		
Retirement - Social Security	X		
Payroll Taxes	X		
Workers Compensation	X		
Unemployment Compensation	X		
Uniforms - Tuition Reimbursement	X		
Preparation & Processing of Payroll	X		
SFA Employees:			
Wages			X
Fringe Benefits (Vacation, Sick Leave, Holiday Pay)			X
Insurance (Life, Medical, Dental)			X
Retirement - Social Security			X
Payroll Taxes			X
Workers Compensation			X
Unemployment Compensation			X
Uniforms - Tuition Reimbursement			X
Preparation & Processing of Payroll			X
<u>Equipment Replacement, Maintenance, & Repair</u>			
Major, Non-expendable		X	
Expendable:			
Silverware/Glassware/Trays/Utensils	X		
Initial Inventory	X		
Replacement During Operation	X		
<u>Telephone/Computer</u>			
Local		X	
Long Distance	X		
Internet Access		X	
<u>Office Materials and Supplies</u>			
Paper		X	
Printing		X	
Postage		X	

<u>Areas of Responsibility</u>	<u>FSMC</u>	<u>SFA</u>	<u>N/A</u>
<u>Linens and Laundry</u>	<u>X</u>	<u></u>	<u></u>
<u>Trash Removal</u>			
From Kitchen	<u></u>	<u>X</u>	<u></u>
From Dining Area	<u></u>	<u>X</u>	<u></u>
From Premises	<u></u>	<u>X</u>	<u></u>
<u>Pest Control</u>	<u></u>	<u>X</u>	<u></u>
<u>Insurance</u>			
Liability Insurance (Product and Public)	<u>X</u>	<u></u>	<u></u>
Insurance on Supplies/Inventory	<u>X</u>	<u></u>	<u></u>
Product Liability	<u>X</u>	<u></u>	<u></u>
<u>Equipment Rental (explain)</u>	<u>Catering</u>	<u></u>	<u></u>
<u>Car/Truck Rental (explain)</u>	<u></u>	<u>X</u>	<u></u>
<u>Vehicle Maintenance and Transportation</u>	<u></u>	<u>X</u>	<u></u>
<u>Travel and Training</u>	<u>X</u>	<u></u>	<u></u>
<u>Taxes and Licenses</u>	<u></u>	<u>X</u>	<u></u>
<u>Promotional and Educational Materials</u>	<u>X</u>	<u></u>	<u></u>
<u>Cleaning Responsibilities</u>			
Preparation Areas	<u>X</u>	<u></u>	<u></u>
Serving Areas	<u>X</u>	<u></u>	<u></u>
Kitchen Floors	<u></u>	<u>X</u>	<u></u>
Dining Room Floors	<u></u>	<u>X</u>	<u></u>
Hoods, Duct Work	<u></u>	<u>X</u>	<u></u>
Routine Cleaning of Tables and Chairs	<u></u>	<u>X</u>	<u></u>
Cafeteria Walls	<u></u>	<u>X</u>	<u></u>
Light Fixtures	<u></u>	<u>X</u>	<u></u>
Windows	<u></u>	<u>X</u>	<u></u>
Grease Traps	<u></u>	<u>X</u>	<u></u>
Restrooms	<u></u>	<u>X</u>	<u></u>

School Meals Program Claims System

[Main Menu](#) | [Claim Overview](#) | [Logout](#) | [User Management](#) | [Help](#)

Certification

Sponsor: 63150 TROY SCHOOL
DISTRICT

Fiscal Year: 2009 (October 1, 2008 - September 30,
2009)

Claim Month: October

Warning

The records you are attempting to certify are beyond the time period allowed for a normal certification (60 Days).

The **October** Claim final deadline: **December 30, 2008.** - *Cleared 2/5/09 per*

Although you can amend and certify your claim for this month, the Michigan Department of Education must review and validate the certification before any funds will be issued. *Pam Miller*

Sponsor Totals

The following totals are an automatic accumulation of all site data entered. Please verify that your totals are correct, then click the "Yes" button on the bottom of this page. If incorrect, return to Site data entry screens and enter correct data.

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Number Of School(s)	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	86920	71466	12520	2934	18	752	196	11443

I certify that this claim is true and correct, that records are available to support it, and that it is in accordance with the terms of the existing agreement. I am aware that deliberate misrepresentation or withholding of information may result in prosecution under applicable state and federal statutes.

*only change was # serving days -
to 21 from 20*

Attach a sample 21-day cycle Lunch Menu prepared by the SFA. This menu must have 21 or more days that actually have lunch being served to the students. This menu must be used for the first 21-day cycle of the new school year.

See Attachments.

Food Specifications

Insert the Food Specifications after the Lunch and/or Breakfast Menus.

Note:

1. See attached individual food specifications.
2. Troy School District has an ongoing beverage contract with Coca Cola until 2012, therefore, only Coca Cola products can be used in the Food Service Program.
Any variation must be approved by the SFA.
3. Purchase Michigan grown produce whenever possible.
Documentation of such may be required.

Food Specifications for the Troy School District

Product	Quality	Style/Variety	Packed	Count/ Serving Size	Condition	Description	
Meat/Meat Alternate Specifications							
Beef Patty, Seasoned	USDA Good or Better	Raw	15-lb case, 60 pcs per case	1-4 oz patty	Frozen	80:20 Lean to Fat. IMPS #1136. 100% Beef.	
Beef Patty, Charbroiled	USDA Good or Better	Cooked	13-lb case, 100 pcs per case	1-2.1 oz patty	Frozen	80:20 Lean to Fat. IMPS #1136. 100% Beef.	
Beef Patty, Country Fried Steak	USDA Good or Better	Cooked	15-lb case, 62 pcs per case	1-3.8 oz patty	Frozen	Fully cooked, breaded beef patty, not more than 30% fat CN label to provide 2 oz of meat/meat alternate equivalent.	
Beef, Sloppy Joe Meat, Reduced Fat	Equal to or better than JTM	Cooked	30-lb case	3.6 oz	Frozen	Sloppy Joe BBQ Sauce with Beef. Not more than 20% fat. CN label to provide 2 oz of meat/meat alternate equivalent.	
Cheese, Cheddar	USDA Good or Better	Shredded	5-lb bag, 4 per case	1 oz	Chilled	Feather Shredded mild cheddar cheese	
Cheese, Mozzarella String	USDA Good or Better	Indv String	10-lb case, 160 per case	1-1 oz piece	Chilled	Low-Moisture, Part Skim Mozzarella Cheese Sticks	
Chicken Patties	Equal to, or better than Tyson or Kings Delight	Breaded	10-lb case, 45 per case	1-3.5 oz patty	Frozen	Fully cooked white meat, chopped, formed and breaded. CN label to provide 2 oz of meat/meat alternate equivalent.	
Chicken Patties	Equal to, or better than Tyson or Kings Delight	Unbreaded	10-lb case, 51-54 per case	1-3 oz avg patty	Frozen	Cooked , whole-muscle, breast filet. CN label to provide 2 oz of meat/meat alternate equivalent.	
Chicken Nuggets	Equal to, or better than Tyson or Kings Delight	Breaded	10-lb case, 2/5lb bags	3-1 oz pieces	Frozen	Fully cooked white meat, chopped,formed and breaded. CN label to provide 2 oz of meat/meat alternate equivalent.	
Chicken Drumstick	Equal to, or better than Tyson or Kings Delight	Breaded	18-lb case, 65 pcs per case	1-4.4 oz piece	Frozen	Fully cooked, bone-in, breaded drumstick	
Fish Sticks	US Grade A	Cod	10-lb box, 160 pcs per case	4-1oz pieces	Frozen	Breaded and battered, precooked, oven ready. CN label to provide 2 oz meat/meat alternate equivalent.	
Fish Nuggets	US Grade A	Cod	10-lb box, 160 pcs per case	4-1oz pieces	Frozen	Breaded and battered, precooked, oven ready, fillet. CN label to provide 2 oz meat/meat alternate equivalent.	
Hot Dogs		3 meat	10-lb box, 80 pcs per case	1-2 oz piece	Chilled	Beef, pork and turkey. CN label to provide 2 oz meat/meat alternate equivalent.	
Hot Dog, turkey		Turkey	20-lb box, 160 pcs per case	1-2 oz piece	Chilled	100% Turkey. CN label to provide 2 oz meat/meat alternate equivalent.	
Lasagna Rolls		Cheese Filled	10-lb box, 53 pcs per case	1-3 oz piece	Frozen	Savory cheese filling layered between 2 sheets of pasta.	
Macaroni & Cheese RF	Equal to or better than JTM	Reduced Fat	30-lb case, 6 bags per case	1 cup	Frozen	A creamy pasta and cheese product with a mild cheddar flavor. Half the fat of regular macaroni & cheese.	
Pizza, Cheese	Equal to or better than Bosco brand	Round or square	22.5-lb case, 9 per case	1/8 pizza	Frozen	Thaw & bake, to be made with 100% part-skim mozzarella, CN label to provide 2 oz meat/meat alternate equivalent and 2 grains/breads equivalents, maximum 10 gms fat per serving, minimum 18 gms protein per serving.	
Pizza, Pepperoni	Equal to or better than Bosco brand	Round or square	22.5-lb case, 9 per case	1/8 pizza	Frozen	Thaw & bake, to be made with pepperoni and 100% part-skim mozzarella, CN label to provide 2 oz meat/meat alternate equivalent and 2 grains/breads equivalents, maximum 15 gms fat per serving, minimum 18 gms protein per serving.	
Pizza, Stuffed Crust	Equal to or better than Bosco brand	Round or square	24-lb case, 8 per case	1/8 pizza	Frozen	Thaw & bake, to be made with 100% part-skim mozzarella, CN label to provide 2 oz meat/meat alternate	

Food Specifications for the Troy School District

Product	Quality	Style/Variety	Packed	Count/ Serving Size	Condition	Description	
						equivalent and 2 grains/breads equivalents, maximum 15 gms fat per serving, minimum 18 gms protein per serving.	
Ravioli, Beef in Meat Sauce	Equal to or better than Chef-Boy-R-Dee	Beef filling w/meat sauce	40-lb case, 6 cans per case	1 cup	Canned	Ready to serve Beef Ravioli in a meat & tomato sauce.	
Roast Beef		Whole	20 lbs, 2 per case	2 oz, sliced	Chilled	Cooked, whole, ready to slice, cooked to an internal temperature of 141°F to 145°F.	
Salami		Stick, 3.5 to 4.5 inches in diameter	2 lb sticks, 8 per case	1 oz, sliced	Chilled	Pork and beef, pork predominant.	
Sausage Patties, Turkey	Equal to or better than JennieO or Perdue	Fully Cooked	10 lb case, 160 pcs per case	1-1oz patty	Frozen	Precooked Turkey, patty	
Sausage Links	Equal to or better than JennieO or Perdue	Fully Cooked	10 lb case, 160 pcs per case	2-1oz links	Frozen	Precooked Turkey, 3" link	
Soup, Tomato	Equal to or better than Campbell's	Condensed	37-lb box, 12 #5 cans per case	1/2 cup	Canned	Rich, creamy tomato flavor, smooth texture. Low in fat.	
Tuna		Chunk white, albacore	66.5 oz can, 6 per case	2 oz	Canned	Chunk white albacore, packed in water, maximum 1 gm fat per 2 oz serving.	
Turkey Breast		Boneless	8-lb avg, 2 per case	2 oz, sliced	Chilled	Skinless, fully cooked, with broth. Made from solid muscle young turkeys, maximum moisture 6%.	
Vegetable Specifications							
Beans, Green	US Fancy	Cut	12-2# bags per case	2/3 cup	Frozen	Beans, Snap Green, cut.	
Broccoli	US No. 1	Florets	2-3# bags	7/8 cup	Fresh	Florets, fresh cut, 1 to 3 inches in length, sulfite-free, packaged in a gas permeable package, code dated.	
Broccoli & Cauliflower Combo	US No. 1	Florets	2-3# bags	1.5 cup	Fresh	Florets, Fresh. Equal mix of Broccoli & Cauliflower. packaged in a gas permeable package, code dated.	
Coleslaw		Shredded	2-5# bags	1/2 cup	Fresh	Coleslaw mix, fresh cut, sulfite-free, mix contains green cabbage, carrots and red cabbage, packaged in a gas permeable package, code dated.	
Carrots	US Extra No. 1	Petite	1oz bags, 200 per carton	1-1oz bag	Fresh	Solid, fresh looking, smooth, firm, crunchy. Free from decay and wilt. Bright orange or red in color.	
Cauliflower	US No. 1	Florets	2-3# bags	1.5 cup	Fresh	Florets, fresh cut, bite size, sulfite-free, packaged in a gas permeable package, code dated.	
Corn, Whole-Kernal	US Grade A	Golden/Yellow	12-2.5-lb packages per case	2/3 cup	Frozen	Corn, whole-kernal, tender and bright in color.	
Mixed Vegetables	US Grade A		12-2.5-lb packages per case	2/3 cup	Canned	Whole kernel corn, diced carrots, cut green beans, sweet green peas, lima beans	
Peas	US Grade A	Green	12-2.5-lb packages per case	2/3 cup	Frozen	Peas, sweet, well matured	
Potatoes, French Fries	Equal to or better than Stealth	Straight Cut	5-lb packages, 6 per case	3 oz	Frozen	Potatoes, coated, 5/16 cut, 2 to 3" shoestring Free from ice crystals and off odors.	

Food Specifications for the Troy School District

Product	Quality	Style/Variety	Packed	Count/ Serving Size	Condition	Description	
Potatoes, French Fries	Equal to or better than	Straight Cut	4.5-lb packages, 6 per case	3 oz	Frozen	Potatoes, coated, oven ready, 1/4 cut, 2 to 3" shoestring	
Ovenable	Stealth					in length. Free from ice crystals and off odors.	
Potatoes, Instant Mashed	Equal to or better than	Instant Pearls	21 lb case	1/2 cup	Dried	Full-flavored massed russet potatoes with rich butter	
	Excel Potato Pearls					flavor.	
Potato Puffs, Tater Tots	Equal to or better than	Bake or Fry	30 lb case	10 pieces	Frozen	Shredded, potatoes formed into the familiar Tator Tot.	
	Lamb Weston					Easily prepared in the fryer or the oven.	
Salad Mix	US No. 1	Romaine Blend	5-lb bags, 4 per case	1 cup	Fresh	Salad mix, fresh cut, romaine predominant, iceberg lettuce,	
						carrots and cabbage, sulfite-free, packaged in a gas	
						permeable package, code dated.	
Spinach	US No. 1	Baby Spinach	2 1/2-lb bags, 4 per case	1 cup	Fresh	Spinach, stemmed and washed, sulfite-free, packaged in a	
						gas permeable package, code dated. Free from	
						discoloration and slime.	
Tomatoes, Cherry	US No. 1	Cherry	12 per pint	1/4 cup	Fresh	Tomatoes, cherry, free from blemishes and bruises. Ripe,	
						firm flesh, red in color.	
Tomatoes, Whole	US No. 1	Vine Ripe	25# case	1/4 cup	Fresh	Tomatoes, vine ripened, red and firm.	
Vegetable Blend	Grade A	Far East	2-12 lb bags per case	1 cup	Frozen	Blend of broccoli cuts, pea pods, julienne carrots, baby corn,	
						pearl onions, bamboo shoots and water chestnuts.	
Fruit Specifications							
Apples	US Fancy or US No. 1	Red Delicious or Granny Smith	40-lb case	113 count per case	Fresh	Fruit to be ripe, firm, crisp, juicy, smooth skin, color typical	
						of variety. Skin should be free of blemishes, bruises and	
						scars.	
Applesauce	US Grade A or US Fancy	Regular	6-#10 cans per case		Canned	Applesauce, natural flavor, natural color, sweetened.	
						Free from seeds and stems.	
Bananas		Petite	40-lb carton	150 count per carton	Fresh	Fruit is to be plump, firm, solid yellow in color with green	
						tips. Free from scars and bruises.	
Fruit Cocktail	US Grade A or US Fancy		6-#10 cans		Canned	Fruit cocktail to be made of diced peaches, diced pears,	
						diced pineapple, whole grapes and cherry halves. Packed in	
						light syrup or fruit juice.	
Mandarin Oranges		Whole Segments	6-#10 cans		Canned	Whole mandarin segments packed in light syrup.	
Oranges	US Fancy	Navel	40-lb case	113 count per case	Fresh	Fruit is to be firm, good in color and texture. Free from	
						soft spots, scars and mold.	
Peaches	US Grade A or US Fancy	Clingstone or Freestone	6-#10 cans per case		Canned	Peaches, slices or quarters. Packed in light syrup or fruit	
						juice and water. Free from pits and stems.	
Pears	US No. 1	Bartlett, D'anjou	38-lb bulk loose-fill carton	110 count per carton	Fresh	Fruit is to be firm, clean, bright, with color typical of variety	
						when ripe, yellow or greenish-yellow. Free from bruises,	
						scars, cuts, hard spots, or insect damage.	
Pineapple	US Grade A or US Fancy	Hawaii,	6-#10 cans per case	1/2 cup	Canned	Pineapple, tidbits. Packed in pineapple juice	
						or pineapple juice and water.	

Food Specifications for the Troy School District

Product	Quality	Style/Variety	Packed	Count/ Serving Size	Condition	Description	
Bread/Grain Specifications							
Bagel		5-6 oz, Plain, Blueberry, Cheese, Cinnamon		1 piece	Fresh baked	Fresh baked	
		Raisin, Honey Wheat, Salt or Wheat					
Bagel		Regular, 2-3 oz		1 piece	Frozen	Bagel, sliced, made with enriched flour, pack code date to be provided.	
		Blueberry, Cinnamon					
		Raisin, Honey Wheat, Plain or Wheat					
Bread		Wheat	24 oz sandwich sliced	2 slices	Fresh	Bread, sliced, made with enriched whole grain flour. pack code date to be provided.	
Breadstick, cheese filled, High Fibre, Reduced Fat	Equal to or better than Bosco's	Cheese	22 -lb box, 216 pcs per case	2-1.5 oz pcs	Frozen	25% whole grain flour and reduced fat mozzarella. Partially baked.	
Breadstick, cheese and pepperoni filled High Fibre, Reduced Fat	Equal to or better than Bosco's	Cheese and Pepperoni	23 -lb box, 216 pcs per case	2-1.5 oz pcs	Frozen	25% whole grain flour and reduced fat mozzarella. Less than 30% calories from sat. fat. Partially baked.	
English Muffins		Regular, 2 oz		1 piece	Fresh	Muffin, split, made with enriched flour, baked on both sides, texture coarse and open, crust dusted with cornmeal, pack code date to be provided.	
		Plain, Wheat, Honey					
		Wheat or Raisin					
Hoagie Buns		Wheat, 8 inch		1 bun	Fresh	Bun, sliced, made with enriched whole grain flour, firm texture, uniform brown crust, evenly baked, pack code date to be provided.	
Muffins		Bran, Fruit, or Plain		1 piece	Frozen	Muffin, round style, made with enriched flour	
		Max 2.5 oz in weight				Max 8 g fat, max 1 g trans fat	
						pack code date to be provided.	
Pasta, whole wheat		Spaghetti, rotini, penne	10-20 lb box	1 cup	Dried	Pasta, made with all natural, 100% whole grain/ whole durum wheat flour.	
Rolls		Dinner, Wheat		1 piece	Fresh	Roll, uniformly brown crust, flavor and aroma characteristic of whole wheat product. made with enriched whole wheat flour, pack code date to be provided.	
		1 - 3 oz					
Buns, Hamburger		Hamburger, sliced		1 bun	Fresh	Bun, uniformly brown crust, flavor and aroma characteristic of whole wheat product. made with enriched whole wheat flour, pack code date to be provided.	
		3.5 inch diameter					
Buns, Hot Dog		Hot Dog, sliced		1 bun	Fresh	Bun, uniformly brown crust, flavor and aroma characteristic of whole wheat product. made with enriched whole wheat flour, pack code date to be provided.	
		6-inch long					
French Toast Sticks	Equal to or better than Farm Rich			4-1oz pieces	Frozen	Whole, white wheat bread . 0 trans fats.	

Food Specifications for the Troy School District

Product	Quality	Style/Variety	Packed	Count/ Serving Size	Condition	Description			
Waffles	Equal to or better than	Plain		2-1 oz pieces	Frozen	Waffles, stick/strip, light to medium brown exterior, no sign of			
	Belgian Chef					scorching, made with enriched flour, moist and tender texture,			
						flavor and odor characteristic of product, pack code date to be			
						provided.			
Pancake, Whole Grain	Equal to or better than	Plain		3-1.2 oz pieces	Frozen	Homey and flavorful. Made with whole grain flour. Good source of fibre.			
	Aunt Jemima								

Bid Sheet

The SFA (School Food Authority) will provide a blank bid sheet with every RFP (Request for Proposal) used for a cost reimbursable contract.

The FSMC (Food Service Management Company) will return the completed bid sheet in a separate envelope marked "Bid Sheet - Cost Reimbursable Contract".

Use of a meal and meal equivalent figure different than the one supplied by the SFA will cause the bid to be "non-responsive".

The school district representative will insert the number of meal and meal equivalents per year on the bid sheet. The bid sheet will be inserted into the RFP/Cost Reimbursable Contract after the Food Specification Sheet(s).

Bid Sheet - Cost Reimbursable Contract

Projected Operating Cost
Without Advanced Payment

This bid is offered by _____ (Food Service Management Company) based upon

_____ 1,127,081 equivalent meals per year.

Expenses that the SFA is contracting for are indicated by an "X" in the Bid Items Column below.

	"X" Bid Items	Cost
Food Cost - Including Commodities Delivery Charge - Net of VDA/Rebates	X	_____
Labor	X	_____
Fringe Benefits	X	_____
On-Site Manager Salary and Benefits	X	_____
Contracted Services (not utilities or FSMC administrative costs)		_____
Transportation Cost		_____
Non-Food Cost	X	_____
Utilities Paid by Food Service Fund		_____
Other (as defined on cost information sheet)	X	_____
FSMC Administrative Cost	X	_____
FSMC Management Fee	X	_____
Total Cost (Bid Items Only)		_____
Bid Price Per Meal (Total Cost divided by Equivalent Meals Per Year)		_____

Signed: _____
Food Management Company Representative

_____ Date

This form is to be submitted in a separate envelope marked:
Bid Sheet - Cost Reimbursable Contract

**Insert this into the contract immediately before the
signature page prior to signing.**

The Food Service Management Company must use the bid sheet provided by the school district in the pre-bid packet when submitting its bid.

TROY SCHOOLS - HIGH SCHOOL MENU - 2008-09

Prices: Students, \$2.50 (w/fries, \$3.50) . Teachers, \$3.25 (Combos, \$4.25)

"The Real-Meal Deal " (Students \$2.50 - Adults \$3.25) (Fruit/Veg. & Milk Included)

MONDAY "Sandwich Day"

TUESDAY "Pasta Day"

WEDNESDAY "South of the Border"

THURSDAY "Blue Plate Special"

FRIDAY "Home Cookin' "

Entree	a la Carte Prices	Entree w/Fruit Veggie & Milk	"Combo" Entree w/ Fries/Fruit/Milk
Quarter Pounder Hamburger	\$ 2.25	\$ 2.50	\$ 3.50
Quarter Pounder w/Cheese	2.50	2.75	3.50
Chicken Nuggets	2.25	2.50	3.50
Grilled Chicken Breast w/Bun	2.50	2.75	3.50
Chicken Tenders - 2 pieces	2.75	N/A	N/A
Pizza Slice	2.25	2.50	3.50
Nachos Supreme	3.75	N/A	N/A
Deli Sandwich	3.25	3.75	N/A
Salad of the Week	3.50	N/A	N/A
Tuna Platter	3.00	N/A	N/A
Premade Sandwiches	2.50	3.00	N/A
Yogurt/Fruit Parfait - 8 oz.	2.00	N/A	N/A
Cottage Cheese Platter w/Fruit	4.00	N/A	N/A
Chef's Salad	3.75	N/A	N/A
Grilled Chicken Salad	3.75	N/A	N/A
Fresh Vegetable Platter w/Dip	3.00	N/A	N/A
Premade Salads - Garden Gourmet	2.75	3.25	N/A
Chef or Ceasar w/chicken	3.75	N/A	N/A

Snack & Grill

French Fries - 5 oz. Serving	\$ 1.50
Specialty Fries/Tator Tots	1.50
Mashed Potatoes	0.75

A La Carte Prices



From the Bakery

Cookie	\$0.75
Wrapped cookie (3 oz)	\$1.25
Gourmet Muffin	.75/1.00
Cheese Filled Breadsticks - 2 w/sauce (extra sauce - .50 ea)	2.50
Pastries	0.75
Bagel w/Cream Cheese	0.75 1.25
Homemade Dinner Roll w/Butter	0.50

Nutrition Bar

Homemade Soup	\$1.50
Gourmet Soup	2.00
Chili	2.00
Vegetable - Chef's Choice	0.50
Yogurt Bar - 5 oz. Cup w/one toppings	1.25 1.50
4 oz. Cone	1.00
5 oz. Waffle Cone	1.75
Sandwich Cookie w/Yogurt	1.25
Fresh Fruit Cup - 5 oz.	1.00
Fresh Fruit - Whole	.75/1.00
Fresh Fruit Plate	3.50
Cheese/Fruit w/Crackers	3.50
Vegetables/Cheese/Crackers	3.50
Cereal Bar	1.00
Cereal w/Milk	1.25
Cereal w/o Milk	1.00
Flavored Yogurt - 4 oz.	0.75
Flavored Yogurt - 6 oz.	1.00



Beverages

Milk	0.35
Juice - Minute Maid, 6.75 oz.	0.50
Juice - 10 oz.	1.00
Hot Cocoa 12 oz.	0.75
Nestle's Quick	2.00
Select Beverages	1.50
Dasani Water - 12 oz.	0.75
Dasani Water - 20 oz.	1.00
Powerade - 12 oz.	1.00

TROY SCHOOLS - MIDDLE SCHOOL MENU 2008-09

Prices: Students, \$2.50 (w/fries, \$3.50) . Teachers, \$3.25 (Combos, \$4.25)

A La Carte Prices

"The Real-Meal Deal " (Students \$2.50 - Adults \$3.25) (Fruit/Veg. & Milk Included)

MONDAY "Sandwich Day"
TUESDAY "Pasta Day"
WEDNESDAY "South of the Border"
THURSDAY "Blue Plate Special"
FRIDAY "Home Cookin' "



From the Bakery

Cookie	\$0.75
Gourmet Muffin	.75/1.00
Cheese Filled Breadsticks -	2.50
2 w/sauce (extra sauce - .50 ea)	
Pastries	0.75
Bagel	0.75
w/Cream Cheese	1.25
Homemade Dinner Roll w/Butter	0.50

Entree	a la Carte Prices	Entree w/Fruit Veggie & Milk	"Combo" Entree w/ Fries/Fruit/Milk
Quarter Pounder Hamburger	\$ 2.25	\$ 2.50	\$ 3.50
Quarter Pounder w/Cheese	2.50	2.75	3.50
Chicken Nuggets (5)	2.25	2.50	3.50
Grilled Chicken Breast w/Bun	2.50	2.75	3.50
Chicken Tenders - 2 pieces	2.75	N/A	N/A
Pizza Slice	2.25	2.50	3.50
Deli Sandwich	3.25	3.75	N/A
Salad of the Week	3.50	N/A	N/A
Tuna Platter	3.00	N/A	N/A
Premade Sandwiches	2.50	3.00	N/A
Yogurt/Fruit Parfait - 8 oz.	2.00	N/A	N/A
Cottage Cheese Platter w/Fruit	4.00	N/A	N/A
Chef's Salad	3.75	N/A	N/A
Grilled Chicken Salad	3.75	N/A	N/A
Fresh Vegetable Platter w/Dip	3.00	N/A	N/A
Premade Salads - Garden Gourmet	2.75	3.25	N/A
Chef or Ceasar w/chicken	3.75	N/A	N/A
Mashed Potatoes	0.75	N/A	N/A

Nutrition Bar

Homemade Soup	\$1.50
Gourmet Soup	2.00
Chili	2.00
Vegetable - Chef's Choice	0.50
Yogurt Bar - 5 oz. Cup	1.25
w/one toppings	1.50
4 oz. Cone	1.00
Sandwich Cookie w/Yogurt	1.25
Fresh Fruit Cup - 5 oz.	1.00
Fresh Fruit - Whole	.75/1.00
Fresh Fruit Plate	3.50
Cheese/Fruit w/Crackers	3.50
Vegetables/Cheese/Crackers	3.50
Cereal Bar	1.00
Cereal w/Milk	1.25
Cereal w/o Milk	1.00
Flavored Yogurt - 4 oz.	0.75



Beverages

Milk	0.35
Juice - Minute Maid, 6.75 oz.	0.50
Juice - 10 oz.	1.00
Select Beverages	1.50
Hot Cocoa 12 oz.	0.75
Dasani Water - 12 oz.	0.75
Dasani Water - 20 oz.	1.00
Powerade - 12 oz.	1.00

October 2008



Troy School District

MONDAY

TUESDAY

WEDNESDAY

THURSDAY

FRIDAY

1
Personal Pan Pizza
Cheese or Pepperoni
Side Salad
Fresh Carrots
Choice of Milk

2
Baked Potato Bar w/
Chopped Ham & Ass't Toppings
Side Salad
Fresh Orange Smiles
Warm Dinner Roll
Chilled Milk

3**Amy's Whole-grain**
Chicken Egg Roll
w/Fried Rice
Chilled Pineapple
Side Salad
Fortune Cookie
Choice of Milk

6
Steamy Hot Dog
On a Whole-grain Bun
Side Salad
Fresh Apple Slices
"New Smart Cookies"
Chilled Milk

7
Crispy Oven Chicken
Nuggets
w/Sauce for Dipping
Side Salad
Fresh Orange Smiles
Warm Soft Breadstick
Choice of Milk

8
Stuffed Crust Pizza
Cheese or Pepperoni
Side Salad
Choice of Fresh Fruit
Chilled Milk

9
Grilled Chicken
Sandwich
On a Whole-grain Bun
w/Lettuce & Tomato
Side Salad
Lunch Bunch Grapes
Choice of Milk

10
Cheese Lasagna Rollups
w/Marinara Sauce
Steamed Green Beans or
Side Salad
Garlic Bread
Chilled Milk

13
Individual Strawberry
Yogurt w/Rice Krispies
Mozzarella Cheese Stick
Side Salad
Lunch Bunch Grapes
Warm Mini Muffin - Milk

14
Country Fried Steak
Mashed Potatoes & Gravy
Fresh Apple Slices
Side Salad
Wheat Bread & Butter
Chilled Milk

15
Italian Pizza
Cheese or Pepperoni
Side Salad
Chilled Pineapple Chunks
Choice of Milk

16
Nachos Supreme
w/Taco Meat, Refried Beans,
Cheese Sauce & Shredded
Lettuce
Mini Fresh Carrots
Side Salad
Chilled Milk

17
Chef's Inspiration

20
Steamy Hot Dog
On a Whole-grain Bun
Side Salad
Fresh Veggies w/Dip
"New Smart Cookies"
Chilled Milk

21
"Breakfast for Lunch"
Waffle Sticks w/Warm Syrup
Turkey Sausage Links
Triangle Potatoes
Orange Smiles
Chilled Milk

22
Personal Pan Pizza
Cheese or Pepperoni
Side Salad
Fresh Carrots
Choice of Milk

23
Baked Chicken Leg
Mashed Potatoes w/Gravy
Fresh Corn Niblets
Side Salad
Warm Soft Breadstick
Choice of Milk

24
Macaroni & Cheese
Steamed Green Beans
Side Salad
Wheat Bread & Butter
Choice of Milk

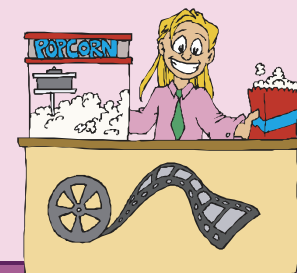
27 (3) **Bosco's**
Pepperoni Breadsticks
w/Marinara Sauce to Dip
Salad Bar
Fresh Apple Slices
Chilled Milk

28 **Hamburger or**
Cheeseburger on
A Whole-grain Bun
Tator Tots
Orange Smiles or Side
Salad & Choice of Milk

29
Stuffed Crust Pizza
Cheese or Pepperoni
Side Salad
Choice of Fresh Fruit
Chilled Milk

30
Garden Fresh Salad Bar
w/Chopped Turkey &
Assorted Toppings
Mixed Fruit
Warm Soft Breadstick & Milk

31**Happy Halloween**
"Chicken Bones" (Chicken
Drumstick)
"Witches Sticks" - Crispy Oven
Fries or Side Salad
"Green Eye Balls" - Grapes
"New Smart Cookies" - Milk



**Troy School District
Food Service Management Services
Request For Proposal # 9597
Addendum #1**

Revised or added sections are in red.

GENERAL PROCEDURAL TERMS AND CONDITIONS

C. BID SUBMISSION AND AWARD

1. Sealed bids/proposals are to be submitted to the Purchasing Department, Troy School District, 1140 Rankin, Troy, MI 48083, anytime prior to, but not later than, **3:00 pm local time on Wednesday, April 15, 2009**. Bids/proposals received after 3:00 pm on April 15, 2009, will not be considered or accepted.

The proposal is to be submitted in a sealed envelope marked "Food Service Management Proposal," which will be endorsed on the outside with the following information:

- **"Food Service Management Proposal" – Bid #9597**
- **Name and Address of Vendor**
- **Date and Time Due**

Provide at least one signed copy, clearly marked "original," and ~~five (5)~~ **nine (9)** hard copies of the proposal and two (2) copies of the proposal on a CD so that one copy of the CD can be sent to MDE for its files.

VIII. EMPLOYEES

- F. Staffing patterns shall be mutually agreed upon by the SFA and FSMC.
 - a. The FSMC shall include within its response, the cost to provide sufficient noon aides or other staffing sufficient to collect, count and properly record all monetary payments received relating to the sale of meals and meal equivalents at each location.
 - b. SFA does not currently cover these services in its operating budget.

XIII. USE OF FACILITIES, INVENTORY, EQUIPMENT, AND STORAGE

- R. The SFA requests that all Respondents include within their proposal the retention of the Comalex Point of Sale System. Annual maintenance costs for this system shall be borne directly by the SFA.
- S. FSMC's may propose an alternate POS system provided that the charges are specifically detailed in the proposal and the alternate POS system be specifically named. FSMC would incur any cost to provide and/or maintain an alternate POS system.

XV. SANITATION

- H. The SFA requests that SFS Smart Systems be retained for kitchen sanitizing. FSMC's should include within their proposal the related costs to retain this system. FSMC's may propose an alternate sanitizing system provided that the charges are specifically detailed in the proposal and the alternate system be specifically named.

**Troy School District
School Food Management Services
RFP # 9597
Clarification Questions
March 24, 2009**

The following questions were submitted for additional clarification relating to the above referenced RFP prior to the pre-bid meeting of March 25, 2009:

- Q. In order to help us better understand how the Troy School District's Food Service Program currently operates, could you please provide us with the following information:
1. Last year's audited year end financial report for the Food Service Program
 2. October 2008 and February Reimburse Claim Forms (by school)
 3. Last year's state year end financial report
- A. *This information is attached below.*

TROY SCHOOL DISTRICT

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**for the fiscal year ended
June 30, 2008**

Troy School District

**4400 Livernois Road
Troy, Michigan 48098**

Troy School District

Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2008

**TROY SCHOOL DISTRICT
4400 LIVERNOIS ROAD
TROY, MICHIGAN 48098**

**PREPARED BY:
DIVISION OF BUSINESS SERVICES
MICHAEL M. ADAMCZYK
ASSISTANT SUPERINTENDENT - BUSINESS SERVICES**

Troy School District

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Troy School District

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Barbara A. Fowler, PhD
Superintendent
Michael M. Adamczyk
Assistant Superintendent
Business Services/Treasurer

4400 Livernois
Troy, Michigan 48098-4777
248.823.4003
Fax: 248.823.4013

September 29, 2008

To the Citizens of Troy and the
Board Members of Troy Schools:

The Comprehensive Annual Financial Report of the Troy School District (the "School District") for the fiscal year ended June 30, 2008 is submitted herewith. The report was prepared by the School District's Department of Business Services. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the School District. We believe the data, as presented, is accurate in all material respects. The information is presented in a manner designed to fairly set forth the financial position and the results of operations of the School District as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain the maximum understanding of the School District's financial affairs have been included.

The Comprehensive Annual Financial Report is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the organizational chart, a listing of the elected and top administrative officials of the School District, and the Certificate of Excellence. The financial section includes the management's discussion and analysis, financial statements, the fund financial statements, notes to the financial statements, required and other supplemental information, as well as the auditor's report on the financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multiple-year basis.

The School District's financial statements include all funds, account groups, and departments over which the Board of Education is financially accountable. The Board of Education is responsible for the selection and appointment of the superintendent of schools, as well as setting policy, developing long-range educational goals, adopting and amending operating budgets, and evaluating school programs.

It is the mission of the Troy School District, in partnership with parents and the community, to prepare students of all ages and abilities to be knowledgeable, caring, productive, and contributing members of a democratic society. The Troy School District will become an exemplary learning community that supports innovation and is committed to continuous improvement. The Troy School District will be a place where a collaborative community develops curriculum, instructional strategies, and assessment to ensure all students learn.

Overview

The Troy School District is a fiscally independent school district established under the laws of the State of Michigan and governed by an elected, seven-member Board of Education. It is somewhat unique in the Detroit metropolitan area in that its 26.61 square miles are totally within the City of Troy. It is a suburban district located in Oakland County, Michigan with continuing growth and development provided by upscale office and research facilities, light industry, and housing expansion.

The School District has 12 elementary schools, grades K-5; four middle schools, grades 6-8; two traditional high schools, grades 9-12; one alternative high school; a "GROW" program serving Special Education students ages 19 through 26; and is in consortium in a grades 9-12 international academy, which offers an international baccalaureate diploma. The School District also has a Board of Education office; a transportation facility; an adult/alternative/continuing education building; a central stores/maintenance facility; and a building housing special education services, as well as offices for media, technology, food service, athletics, research and evaluation, fine arts, reading and writing, science, social studies, and math.

Major Initiatives and Achievements

The Troy School District offers a comprehensive curriculum for all students. Goals and objectives define the skills, knowledge, and understanding expected of all learners for each subject at each grade level. School District staff, incorporating elements of the State's model core curriculum, has developed the curriculum. It meets or exceeds all standards required for school accreditation by the Michigan Department of Education.

Curriculum Development

Core Curriculum

Teachers and administrators in the Troy School District continue to implement a comprehensive curriculum for all students in kindergarten through twelfth grade. Our curriculum is based on the Grade Level Content Expectations for grades Kindergarten through eight and the High School Course Expectations for grades nine through twelve that have been approved by the State of Michigan Board of Education. These state guidelines have been reviewed by teachers and administrators in the Troy School District and have been integrated into our curriculum. The curriculum of the Troy School District meets or exceeds all standards required for school accreditation by the Michigan Department of Education.

The written curriculum and pacing guides function as outlines for instruction. These documents identify what our teachers teach and what students should learn. For each subject at each grade level, goals and objectives define the skills, knowledge, and understandings expected of the students. These steer teachers as they prepare lessons. These goals and objectives have been matched with state and national standards to ensure that we are preparing our students for today, as well as tomorrow. Throughout the district, high standards infuse the curriculum.

During the 2007-2008 school year, several enhancements were made to the Troy School District curriculum. At the elementary level, we continued our focus on writing instruction and provided additional staff development for our teachers in this area. We also began an extensive review of our reading/language arts instructional program that will result in the adoption of new instructional practices and the use of new materials to improve student achievement. In addition, review of our other core curriculum areas - math, science, and social studies - continued throughout the year. Opportunities were also provided for teachers in the arts, physical education, and foreign language to meet and review their curriculum areas.

The secondary curriculum continued its development throughout the 2007-2008 school year. New courses were added in Fundamentals of Business, Forensic Science, and Philosophy. New materials were purchased for several classes, including high school physics, astronomy, and world history. A new program to assist struggling readers in middle school was adopted as well. Finally, new math manipulatives for middle school were purchased to help students conceptualize math concepts. Teachers had a variety of opportunities to engage in professional development activities throughout the year.

Baker Middle School and Morse Elementary School, candidate International Baccalaureate schools, continued their collaboration and development of teaching units as they worked toward full authorization. We have filed applications for full authorization for both programs and anticipate visits during the 2008/2009 school year from the International Baccalaureate Organization to validate our progress.

All buildings in the Troy School District have earned accreditation from the North Central Association Commission on Accreditation and School Improvement. Following the most recent cycle of accreditation, we determined that we would follow a District Accreditation model rather than continue to pursue individual building accreditation. District Accreditation is an approach that builds the capacity of all schools and departments within the system to increase and sustain student learning. We are one of eight districts in the State of Michigan to have received such accreditation. Our system goals are as follows:

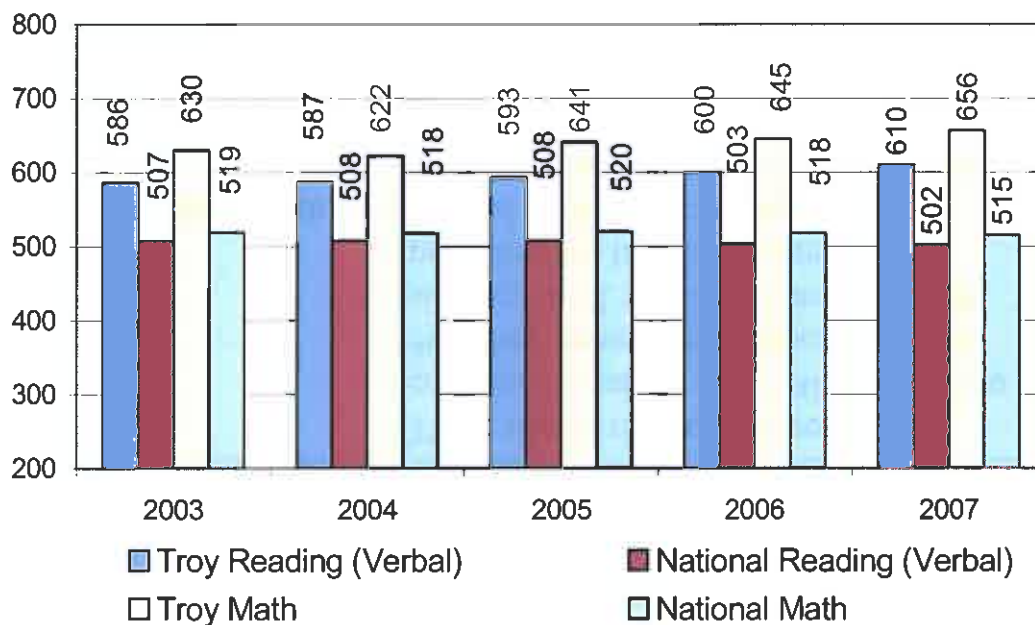
- All Troy School District students will create and pursue personal growth plans.
- All Troy School District students will perceive they are accepted at school regardless of cultural, ethnic, gender, academic or other individual differences as measured by a validated survey.
- The Troy School District will score in the top 5 percent of all districts in the state on all subtests of the Michigan Department of Education assessment programs (MEAP).
- All Troy School District "No Child Left Behind" (NCLB) subgroups will make Adequate Yearly Progress on all subtests of the Michigan Department of Education assessment programs.

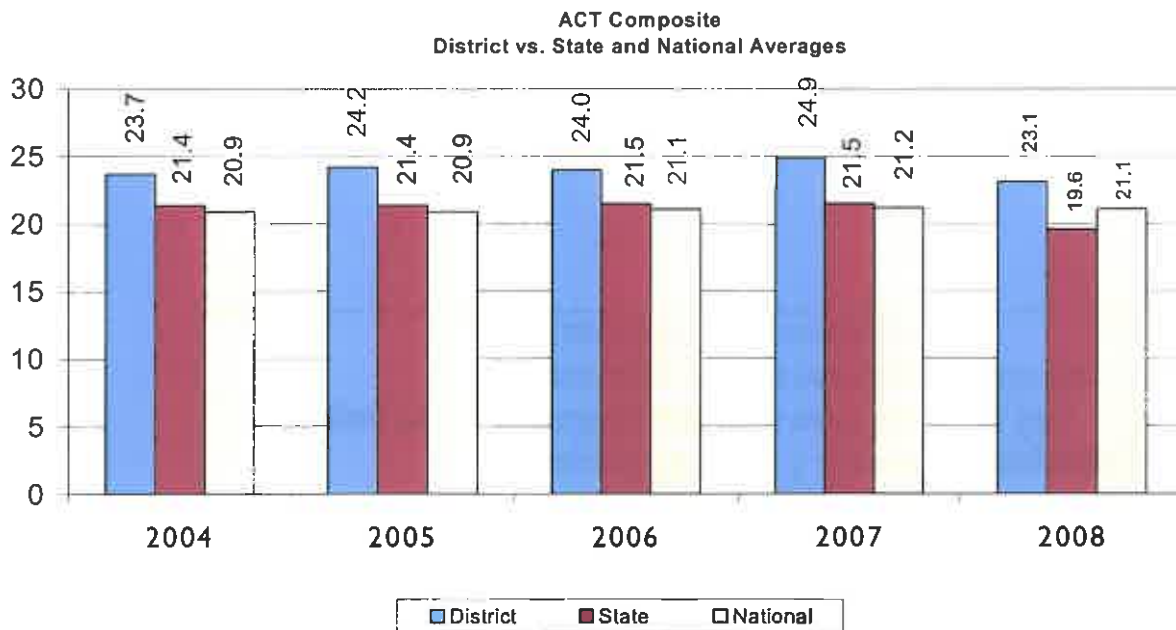
An exceptional number of Troy School District students attend institutions of higher learning upon graduation. The University of Michigan grants additional points for admission consideration to students who have graduated from Troy School District.

Years Ended June 30	Percent of Students Graduating	Percent of Students Attending College
2008	99	95
2007	98	95
2006	99	94
2005	99	94
2004	99	93
2003	99	93
2002	99	92
2001	99	92
2000	99	95
1999	98	94
1998	97	95
1997	97	95

Students' results on standardized achievement measures such as the SAT, the ACT, the Iowa Test of Basic Skills, Form A (ITBS), and the tests of the Michigan Educational Assessment Program (MEAP) are among the highest in the tri-county area (see graphs and charts following).

SAT I Reasoning Test District vs. National Averages





Median Percentile Rank of ITBS District Reading and Math:

	2007-2008		2006-2007		2005-2006	
	<u>Reading</u>	<u>Math</u>	<u>Reading</u>	<u>Math</u>	<u>Reading</u>	<u>Math</u>
Grade 3	70	83	76	87	77	88
Grade 5	74	84	76	86	78	86
Grade 7	72	79	71	77	69	77

Troy School District Advanced Placement Testing

<u>Years Ended June 30</u>	<u>Number Taken</u>	<u>Percent Qualifying</u>
2007-2008	1,708	83
2006-2007	1,662	86
2005-2006	1,468	85
2004-2005	1,379	83
2003-2004	1,140	82
2002-2003	1,220	77
2001-2002	1,204	77
2000-2001	1,116	77

**MEAP/MME Percentile Test Results for Elementary School (grades 3 - 5)
Middle School (grades 6-8) and High School (grade 11)**

	Elementary					Middle Schools					High Schools			
	07-08	06-07	05-06	04-05		07-08	06-07	05-06	04-05		07-08	06-07	05-06	04-05
Reading	94	96	95	94		91	92	90	89		81	77	77	78
Writing	77	76	83	82		89	88	89	79		68	68	61	60
Math	97	96	96	95		90	88	89	83		74	74	74	69
Science	96	96	93	93		90	86	90	84		79	78	76	71
Social Studies	--	--	--	56		89	88	92	55		91	91	90	56

Troy Schools has 18 buildings that have achieved State recognition as exemplary schools: Athens High School, Troy High School, Baker Middle School, Boulan Park Middle School, Larson Middle School, Smith Middle School, Barnard Elementary School, Bemis Elementary School, Costello Elementary School, Hamilton Elementary School, Hill Elementary School, Leonard Elementary School, Martell Elementary School, Morse Elementary School, Schroeder Elementary School, Troy Union Elementary School, Wass Elementary School, and Wattles Elementary School. All Troy District K-12 schools have earned the prestigious Blue Ribbon award from the Michigan Department of Education.

Troy parents value and support education. The Troy School District enjoys the active support and participation of parents in PTO/PTA groups, booster clubs, and building and district-level committees. Parent attendance at parent/teacher conferences is high as is the level of parent volunteerism for activities and programs. The high level and quality of parent involvement contribute greatly to the overall quality of the schools' programs. The percentage of parents attending fall conferences for the past three years is as follows:

Level	2008	2007	2006
K-5	99%	99%	99%
6-8	84%	83%	82%
9-12	82%	81%	81%

In addition to high student achievement, Troy Schools has one of the lowest dropout rates for districts of its size, consistently under one half of 1 percent. The low dropout rate is a reflection of family and community values, as well as the clear expectations of Troy educators that students will successfully complete their education.

In consortia with eight other Oakland County school districts, Troy School District participates in an international academy, which is based on an international baccalaureate program. For close to ten years, a total of 100 Troy School District students have been selected by lottery to attend the International Academy. Beginning with the 2008-2009 school year, Troy will become a third campus of the International Academy. Old Baker Middle School has been transformed into the International Academy East. IA East will begin classes in August with 135 9th graders that will include 30-40 schools of choice students from around metropolitan Detroit. In four years, the building will have a maximum capacity of nearly 550-600 students. Troy School District also has students participating in the General Motors Technical Academy where the curriculum focuses on drafting. There are options to meet the needs of special education students at 24 different programs at out-of-school district sites. A total of over 24 students attended the Oakland Technical Education Center to study curriculum ranging from food service to automotive programs.

Economic Condition and Outlook

As the School District completes its fourteenth year under Proposal A, approved by Michigan voters in 1994, revenues have not kept pace with inflation. Proposal A substantially shifted funding responsibility from the local level to the state level and from property tax as the major revenue source. Now, the School District is dependent upon the state legislature for not only the majority of its funds, but also its funding level.

Although the School District is financially stable at the present time with a solid fund balance, the future requires that the School District continue to develop a long term set of strategies to ensure it is able to maintain a balanced budget in the future.

Over the last 10 years, Troy has seen a residential population growth of 4.5 percent. In November of 2007, Morgan Quinto Press rated Troy as the safest city in Michigan and among the top 10 safest cities in the nation. In 2008, CMM Money ranked Troy #22 of its Top 100 Best Places to Live in the U.S. Although the city has seen a decrease in workforce population, the business environment remains strong as home to the world headquarters of three of Michigan's 22 Fortune 500 companies.

Internal Controls

This report consists of management's representations concerning the finances of the School District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the School District has established a comprehensive internal control framework that is designed both to protect the School District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the School District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the School District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

All expenditure requests require proper administrative approval before any transactions and orders for goods can be processed. Individual budget managers are responsible for complying with the School District's purchasing policy and are prohibited from over-expending their legally adopted budget allocations.

Budgetary Controls

The School District maintains budgetary controls to ensure that budgets are in compliance with legal provisions in the annual appropriation budget adopted by the Board of Education.

Formal budgetary integration is employed as a management controls device throughout the year for the General Fund, Special Revenue Funds, Capital Projects Funds, Internal Service Fund, and Debt Service Funds. Under the guidelines of Bulletin 1022 (Revised), the State of Michigan's *School Accounting Manual*, detailed budget information is provided, and appropriate administrators are delegated the responsibility for monitoring and controlling their respective budget allocations. Controls are in place that will not allow individuals to spend more than the amount appropriated to them. The controls are integrated into the School District's computerized accounting system. Expenditures are prohibited from exceeding appropriations at the area level. An encumbrance system is utilized to measure the uncommitted budget amount available at any given point in time during the year. The budget is amended during the year to appropriately address variances that occur as a result of enrollment changes and revenue and expenditure allocations.

The administration believes that the existing system of budgetary and accounting controls provides a reasonable level of assurance that errors or irregularities that could be material to the financial statements are prevented or that they would be detected within a timely manner.

As demonstrated by the statements and schedules included in the financial section of this report, the School District continues to meet its responsibility for sound financial management.

Debt Administration

On June 14, 2004, the Troy School District voters passed a \$119,500,000 bond issue. The bond issue is primarily devoted to technology enhancements, building additions and improvements, and school bus purchases. The 2004 bond issue has been developed not to impact the operational budget of the Troy School District but to work in harmony with the budget. This issue will continue the excellent maintenance program of the Troy School District, as well as enhance instruction to prepare its students to become lifelong learners and meet the challenges of an ever-changing world. Under current State statutes, the School District's general obligation bonded debt issuances are subject to a legal limitation based on 15 percent of total assessed value of real and personal property. As of June 30, 2008, the School District's net general obligation bonded debt of \$150,495,000 was well below the statutory bonding limit of \$667,311,154. Per capita debt totaled only \$1,711 at June 30, 2008.

Cash Management

In accordance with Michigan statutes, the School District's cash management guidelines are established to maximize its interest earnings while attempting to minimize the risk of loss of invested principal. Interest-bearing checking accounts, cash management accounts, certificates of deposit in state or national banks, approved savings and loan associations, and commercial paper are all instruments used to achieve this goal.

In 2007-2008, the School District's General Fund earned \$1,116,030 in investment income. Funds are invested in accordance with Sections 380.1221 and 380.1223 of the Michigan School Code, Act 451 of 1976, as amended, and are approved by the Board of Education annually. An aggressive but prudent review and analysis of the investment portfolio and cash flow needs provide additional revenues not only to the General Fund but all other funds of the School District that have cash resources available.

Risk Management

The School District carries a comprehensive insurance package to protect the School District and its employees. Coverage includes commercial general liability, property damage, garage liability, automobile coverage, school leaders errors and omissions, and various crime and liability coverage. The School District also carries a \$10,000,000 commercial umbrella policy.

The blanket building limit coverage for the 2007-2008 school year was \$348,491,344. Insurance coverage is reviewed annually to assure that the School District is properly protected. The School District participates in the MAISL Joint Risk Management Trust, a consortium of 36 school districts.

Independent Audit

State of Michigan statutes require an annual audit by independent certified public accountants. The accounting firm of Plante & Moran, PLLC was appointed by the Troy Board of Education to perform this service for the 2007-2008 fiscal year. In addition, the OMB Circular A-133 requires governmental recipients of federal assistance to have organization-wide financial and compliance audits on an annual basis.

Single Audit

As a recipient of federal, state, and county financial assistance, the School District is responsible for ensuring that an adequate internal administrative control structure is in place to document compliance with applicable laws and regulations related to those programs. Tests are made by the School District's auditors to determine the adequacy of the internal and administrative control structure. This control structure is also subject to periodic evaluation by management.

The results of the School District's single audit for the fiscal year ended June 30, 2008 indicated no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Both of these requirements have been met, and the auditor's report on the basic financial statements is included herein.

Other Information

Enrollment

Enrollment projections are performed annually, and, if necessary, adjustments are made. A five-year projection of enrollment is done utilizing data from the county, city, and school district.

Information such as live births, cohort survival ratios, residential building permits, and work force/economic statistics is used in the enrollment projections. Historically, this method has proven to be accurate, within a reasonable variance, for planning future facility needs.

Awards

This report has been prepared following the guidelines recommended by the Association of School Business Officials (ASBO). The ASBO awarded a Certificate of Excellence in Financial Reporting to the Troy School District for its Comprehensive Annual Financial Report for the fiscal years ended June 30, 1989-2007. In order to be awarded a Certificate of Excellence, the School District must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Excellence is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Excellence Program's requirements, and we are submitting it to ASBO to determine its eligibility for another certificate.

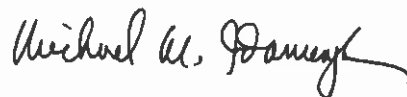
Acknowledgments

The preparation of this report was accomplished through the commitment and dedication of the business office, especially the district accountant, Renelle Tolan. The Comprehensive Annual Financial Report was prepared by the Troy School District's business services department.

Continued diligence in fiscal management and timely communication between the administration and Board of Education will facilitate efforts to exceed the present high level of excellence expected by the School District's constituents.

In order for the community to know the content of this report, copies will be made available in each school building, at the City of Troy library, and at the offices of the city manager and Chamber of Commerce.

Respectfully submitted,



Michael M. Adamczyk
Treasurer/Assistant Superintendent,
Business Services



Barbara A. Fowler, Ph.D.
Superintendent of Schools

TROY SCHOOL DISTRICT

DISTRICT OFFICIALS

ADMINISTRATION

Barbara A. Fowler, Ph.D.
Superintendent

Michael M. Adamczyk
Assistant Superintendent, Business Services

Jasen Witt, J.D.
Assistant Superintendent, Human Resources

Richard Machesky, Ed.D
Assistant Superintendent, Secondary Instruction

Kathleen Davisson
Assistant Superintendent, Elementary Instruction

Robert Stromayer
Director, Continuing Education

Tim McAvoy
Director, Community Relations

BOARD OF EDUCATION

Paula Fleming
President

Carol Pochodylo
Vice President

Gary Hauff
Secretary

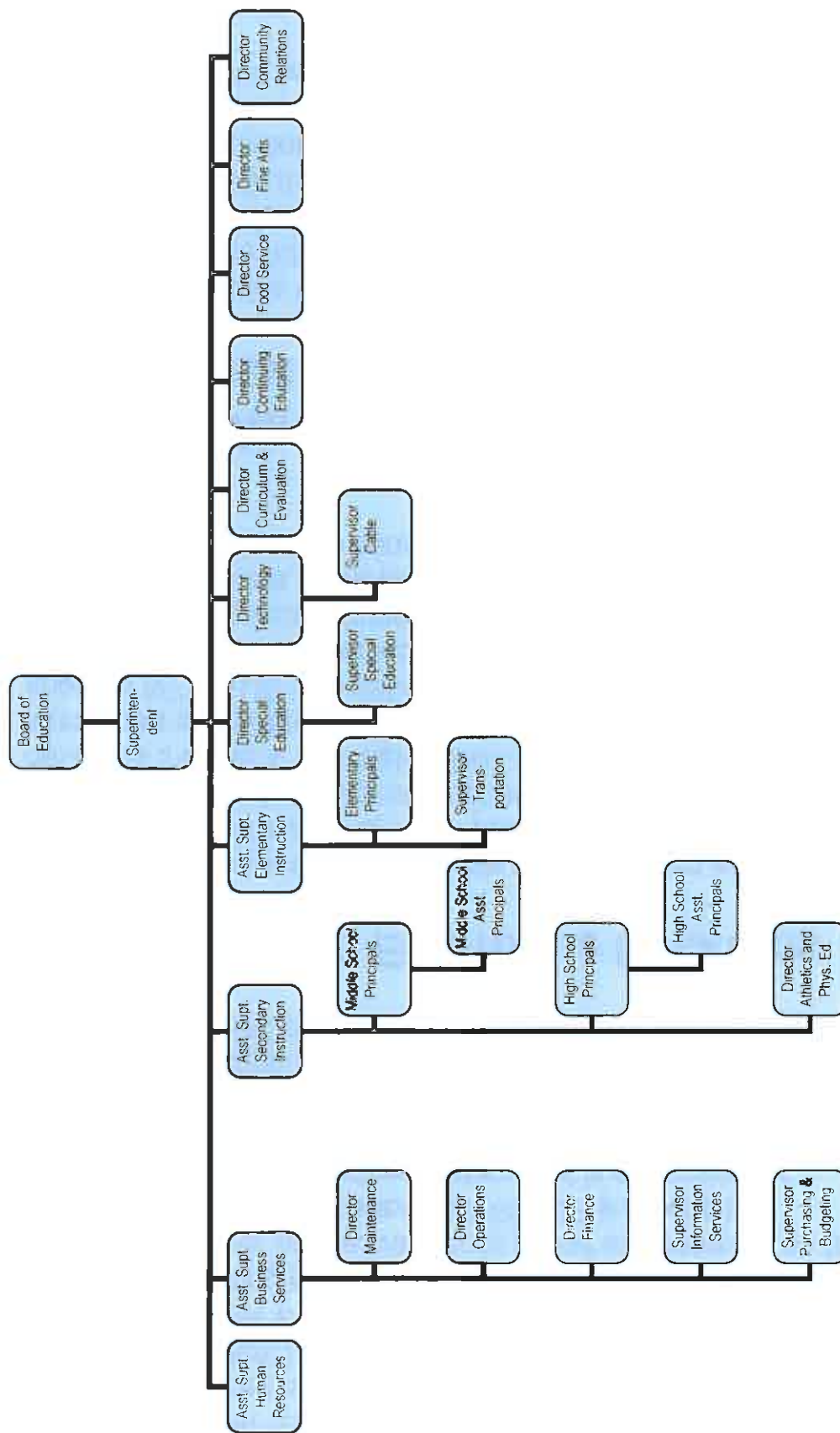
Ida Edmunds
Trustee

Mary Beth Halushka
Trustee

Todd Miletti
Trustee

Wendy Underwood
Trustee

TROY SCHOOL DISTRICT ORGANIZATIONAL CHART 2007-2008 SCHOOL YEAR



**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

TROY SCHOOL DISTRICT

**For its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2007**

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

Grome E. Brendel

President

John D. Russo

Executive Director



Plante & Moran, PLLC
Suite 500
2601 Cambridge Court
Auburn Hills, MI 48326
Tel: 248.375.7100
Fax: 248.375.7101
plantemoran.com

Independent Auditor's Report

To the Board of Education
Troy School District

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Troy School District (the "School District") as of and for the year ended June 30, 2008, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Troy School District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Troy School District as of June 30, 2008 and the respective changes in financial position and cash flows, where applicable, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and budgetary comparison schedule - General Fund, as identified in the table of contents, are not a required part of the basic financial statements but are supplemental information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Troy School District's basic financial statements. The accompanying other supplemental information, as identified in the table of contents, is not a required part of the basic financial statements. The other supplemental information is presented for the purpose of additional analysis. The other supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

To the Board of Education
Troy School District

The accompanying introductory section and statistical section, as identified in the table of contents, are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2008 on our consideration of the Troy School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide opinions on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Plante & Moran, PLLC

September 29, 2008

Troy School District

Management's Discussion and Analysis

This section of the 2008 annual financial report presents our discussion and analysis of Troy School District's (the "School District") financial performance during the year ended June 30, 2008. Please read it in conjunction with the School District's financial statements, which immediately follow this section.

Using this Annual Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Troy School District financially as a whole. The financial statements provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a long-term view of those finances. The fund financial statements provide the next level of detail. For governmental activities, these statements tell how services were financed in the short term as well as what remains for future spending. The fund financial statements look at the School District's operations in more detail than the financial statements by providing information about the School District's most significant funds, the General Fund and 2004 Capital Projects Funds, with all other funds presented in one column as nonmajor funds. The School District's Proprietary Internal Service Fund is reported separately from the governmental funds. The remaining statement, the statement of fiduciary assets and liabilities, presents financial information about activities for which the School District acts solely as an agent for the benefit of students and parents.

Management's Discussion and Analysis - MD&A **(Required Supplemental Information)**

- Basic Financial Statements
 - District-wide Financial Statements
 - Fund Financial Statements
 - Proprietary Fund
 - Fiduciary Fund
 - Notes to Financial Statements
- Required Supplemental Information - Budgetary Information for General Fund
- Other Supplemental Information
 - Combining Balance Sheet Nonmajor Funds
 - Combining Revenue, Expenditures, and Changes in Fund Balances Nonmajor Funds
 - Budgetary Comparison Schedule - Governmental Funds (excluding General Fund) and Proprietary Fund
 - Statement of Bonded Indebtedness

Troy School District

Management's Discussion and Analysis (Continued)

Reporting the School District as a Whole - Financial Statements

One of the most important questions asked about the School District is, "What is the School District's financial condition as a result of the year's activities?" The statement of net assets and the statement of activities, which appear first in the School District's financial statements, report information on the School District as a whole and its activities in a way that helps answer this question. These statements include all assets and liabilities, using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Troy School District's net assets, which are the difference between assets and liabilities, as reported in the statement of net assets, as one way to measure the School District's financial health or financial position. Over time, increases or decreases in the School District's net assets, as reported in the statement of activities, are one indicator of whether its financial health is improving or deteriorating. The relationship between revenues and expenses is the School District's operating results. However, the School District's goal is to provide services to our students, not to generate profits as commercial entities do. Many other nonfinancial factors, such as the scope and quality of the education provided, as well as the safety of the students and schools, must be considered to assess the overall health of the School District.

The statement of net assets and the statement of activities report the governmental activities for the School District, which encompass all of the School District's services, including instruction, support services, community services, athletics, and food services. Property taxes, unrestricted state aid (foundation allowance revenue), and state and federal grants finance most of these activities.

Reporting the School District's Most Significant Funds - Fund Financial Statements

The School District's fund financial statements provide detailed information about the most significant funds, not the School District as a whole. Some funds are required to be established by state law and by bond covenants. However, the School District establishes many other funds to help it control and manage money for particular purposes, such as the Food Services and Athletics Funds. Funds are also established to show that it is meeting legal responsibilities for using certain taxes, grants, and other money, including the 2004 and 2006 Bond Issues, which fund construction for voter-approved capital projects. By definition, the General Fund and 2004 Capital Projects Funds are the only funds that qualify to be classified as major funds. The governmental funds of the School District use the following accounting approach:

Troy School District

Management's Discussion and Analysis (Continued)

Governmental and proprietary funds: All of the School District's services are reported in governmental and proprietary funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year end that are available for spending. They are reported using the modified accrual method of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the operations of the School District and the services it provides. Governmental fund information helps to determine whether there are more or less financial resources that can be spent in the near future to finance the School District's programs. We describe the relationship between governmental activities and governmental funds in a reconciliation format in the financial section on pages 15 and 17. The School District's Proprietary Internal Service Fund reports on the full accrual basis and presents the School District's obligations for early retirement incentive payments due in future years.

The School District as Trustee - Reporting the School District's Fiduciary Responsibilities

The School District acts as the trustee for its student activity funds. All of the School District's fiduciary activities are reported in a separate statement of fiduciary assets and liabilities. These activities are excluded from the School District's other financial statements because the School District cannot use these assets to finance its operations. The School District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

The School District as a Whole

The statement of net assets provides the perspective of the School District as a whole. Table I provides a summary of the School District's net assets as of June 30, 2008 and 2007:

TABLE I	Governmental Activities	
	2008	2007
	(in millions)	
Assets		
Current and other assets	\$ 72.5	\$ 104.0
Capital assets	<u>178.9</u>	<u>161.1</u>
Total assets	251.4	265.1
Liabilities		
Current liabilities	29.1	32.5
Long-term liabilities	<u>155.7</u>	<u>169.5</u>
Total liabilities	<u>184.8</u>	<u>202.0</u>
Net Assets		
Invested in property and equipment - Net of related debt	40.7	39.5
Restricted	4.0	3.4
Unrestricted	<u>21.9</u>	<u>20.2</u>
Total net assets	<u>\$ 66.6</u>	<u>\$ 63.1</u>

Troy School District

Management's Discussion and Analysis (Continued)

The above analysis focuses on the net assets. The change in net assets of the School District's governmental activities is discussed below (see Table 2). The School District's net assets were \$66.6 million at June 30, 2008 compared to \$63.1 million at June 30, 2007. Capital assets, net of related debt, totaled \$40.7 million and \$39.5 million at June 30, 2008 and 2007, respectively. This compares the original cost less depreciation of the School District's capital assets to long-term debt used to finance the acquisition of those assets. Most of the debt will be repaid from voter-approved property taxes collected as the debt service comes due. Restricted net assets of \$4.0 million and \$3.4 million at June 30, 2008 and 2007, respectively, are reported separately to show legal constraints from debt covenants and enabling legislation that limit the School District's ability to use those net assets for day-to-day operations. The remaining amount of net assets, \$21.9 million and \$20.2 million at June 30, 2008 and 2007, respectively, was unrestricted.

The \$21.9 million at June 30, 2008 in unrestricted net assets of governmental activities represents the accumulated results of all past years' operations. It means that if all bills had to be paid today, including all noncapital liabilities, there would be \$21.9 million left. The operating results of the General Fund will have a significant impact on the change in unrestricted net assets from year to year.

The results of this year's operations for the Troy School District as a whole are reported in the statement of activities, which shows the changes in net assets for fiscal years 2008 and 2007 (see Table 2).

TABLE 2

	Governmental Activities	
	2008	2007
	(in millions)	
Revenue		
Program revenue:		
Charges for services	\$ 6.7	\$ 6.7
Operating grants	20.3	19.6
General revenue:		
Property taxes	68.2	66.8
State aid	63.3	62.8
Other	4.5	7.3
Total revenue	163.0	163.2

Troy School District

Management's Discussion and Analysis (Continued)

TABLE 2 (Continued)

	Governmental Activities	
	2008	2007
	(in millions)	
Functions/Program Expenses		
Instruction	\$ 87.1	\$ 87.2
Support services	56.5	53.2
Community services	2.7	3.1
Food services	3.3	3.1
Athletics	2.2	2.2
Interest on long-term debt	7.7	8.3
Total functions/program expenses	159.5	157.1
Increase in Net Assets	3.5	6.1
Net Assets - Beginning of year	63.1	57.0
Net Assets - End of year	<u>\$ 66.6</u>	<u>\$ 63.1</u>

As reported in the statement of activities, the cost of all governmental activities this year was \$159.5 million, an increase of \$2.4 million, or 1.5 percent, from 2006-2007. Certain activities were partially funded from those who benefited from the programs (\$6.7 million) or by other governments and organizations that subsidized certain programs with grants and contributions (\$20.3 million). The remaining "public benefit" portion of governmental activities was funded with \$68.2 million in taxes, \$63.3 million in state aid allowance, and with other revenues, such as interest and general entitlements. Total revenues in 2007-2008 were \$163.0 million, a decrease of approximately \$200,000 from 2006-2007.

The Troy School District experienced an increase in net assets of \$3.5 million primarily as a result of ongoing operations in the School District. In addition, long-term debt decreased \$13.0 million in 2007-2008.

As discussed above, the net cost shows the financial burden that was placed on the State and the Troy School District's taxpayers by each of these functions. Since property taxes for operations and unrestricted state aid constitute the vast majority of district operating revenue sources, the Board of Education and administration must annually evaluate the needs of the School District and balance those needs with state-prescribed available unrestricted revenues.

The School District's Funds

As noted earlier, the Troy School District uses funds to help it control and manage money for particular purposes. Looking at funds helps the reader consider whether the Troy School District is being held accountable for the resources taxpayers and others provide to it and may give more insight into the School District's overall financial health.

Troy School District

Management's Discussion and Analysis (Continued)

As the School District completed this year, the governmental funds reported a combined fund balance of \$54.8 million, a decrease of \$26.5 million from the prior year. The changes in major and nonmajor funds are as follows:

	General Funds	Capital Projects 2004	Other Nonmajor Funds	Governmental Funds 2008 Total	Proprietary Funds
Fund Balances - Beginning of year	\$ 24,417,413	\$ 37,190,277	\$ 19,699,767	\$ 81,307,457	\$ 447,479
Increase (decrease)	(220,427)	(15,755,261)	(10,543,076)	(26,518,764)	149,435
Fund Balances - End of year	<u>\$ 24,196,986</u>	<u>\$ 21,435,016</u>	<u>\$ 9,156,691</u>	<u>\$ 54,788,693</u>	<u>\$ 596,914</u>

In the General Fund, our principal operating fund, the fund balance decreased by \$220 thousand compared to a \$1.1 million increase in the prior year. Revenues and other financing sources increased \$204 thousand from the prior year and expenditures and other financing uses increased approximately \$1.56 million for a net decrease of \$1.36 million from the prior year. There was a \$48 increase in the state foundation allowance and an enrollment increase of 77.95 students. Increased expenditures are a normal part of operations as a result of salary and benefit increases, increased costs for utilities, and other operating expenses. The fund balance of the General Fund is available to fund costs related to allowable school operating purposes.

The 2004 Capital Projects Fund decreased by approximately \$15.8 million in 2007-2008. This is due to earnings on investments of \$335,263, and expenditures of \$16.1 million.

The other non-major funds decreased by \$10.5 million, primarily due to spending of the remaining project costs in the 2006 Capital Projects Fund. The Adult and Community Education Fund increased by approximately \$391,000 due primarily to increased child care revenue. The Food Service Fund decreased by approximately \$88,000 due to increased food costs. Combined, the Debt Service Funds showed a fund balance increase of \$724,832. Millage rates are reviewed annually to ensure that the School District accumulates sufficient resources to pay annual bond issue-related debt service.

The fund balance in the Durant Fund did not change from the prior year. The fund had earnings on investments of \$226,995. There were no expenditures in this fund during the current school year. The Durant Fund made an operating transfer of \$226,995 to the General Fund.

Troy School District

Management's Discussion and Analysis (Continued)

The Internal Service Fund is used to account for the activity related to the voluntary resignation incentive program. This fund was created in 2004-2005 and had expenditures of approximately \$214,000 and earnings on investments of approximately \$149,000.

General Fund Budgetary Highlights

Over the course of the year, the School District revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. State law requires that the budget be amended to ensure that expenditures do not exceed appropriations. The final amendment to the budget was adopted in June 2008. A schedule showing the School District's original and final budget amounts compared with amounts actually paid and received is provided in required supplemental information in these financial statements.

Several changes were made to the originally adopted 2007-2008 General Fund budget. Revenues increased by \$2.0 million to account for additional earnings on investments, revised state aid and categorical grants, and federal grant award settlements. Expenditures decreased by \$1.1 million to account for changes in estimates for salaries and benefits, costs of supplies and purchased services, and other expenses in the operating plan of the School District.

Capital Assets and Debt Administration

Capital Assets

At June 30, 2008, the School District had \$178.9 million invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This represents a net increase (including additions, deductions, and depreciation) of approximately \$17.8 million, or 11.0 percent, from last year.

Land	\$ 2,592,570
Buildings and construction in progress	156,433,013
Furniture and equipment	<u>19,847,275</u>
Total capital assets	<u>\$ 178,872,858</u>

This year's change in fixed assets included \$27.9 million of additions for building renovations, technology, school buses and other vehicles, and food services equipment. Depreciation expense accounts for the main decrease in net capital assets. There are continued major capital projects planned for the 2008-2009 fiscal year as a result of the \$119,500,000 bond issue, which was passed by the voters on June 14, 2004.

We present more detailed information about our capital assets in the notes to the financial statements.

Troy School District

Management's Discussion and Analysis (Continued)

Debt

At the end of this year, the School District had \$156.1 million in bonds outstanding versus \$166.6 million in the previous year - a decrease of \$10.5 million. Those bonds consisted of the following:

General obligation bonds	\$ 150,495,000
Plus deferred issuance premiums	7,627,604
Less deferred interest	<u>(1,978,230)</u>
Total	<u>\$ 156,144,374</u>

The School District's underlying general obligation bond rating from Moody's remained at Aa2 while the bond rating from Standard and Poor's remained at AA-. The State limits the amount of general obligation debt that schools can issue to 15 percent of the assessed value of all taxable property within the School District's boundaries. The School District's outstanding unqualified general obligation debt is significantly below this \$667.3 million statutorily imposed limit.

Other obligations include accrued vacation pay, sick leave, early retirement incentive payable, reserve for known workers' compensation claims, and incurred but not yet reported healthcare claims. We present more detailed information about our long-term liabilities in the notes to the financial statements.

Economic Factors and Next Year's Budgets and Rates

Our elected officials and administration considered many factors when setting the School District's 2009 fiscal year budget. One of the most important factors affecting the budget is our student count. The state foundation allowance revenue is determined by multiplying the blended student count by the foundation allowance per pupil. The blended count for the 2009 fiscal year is 25 percent of the February 2008 and 75 percent of the September 2008 student counts. The 2008-2009 budget was adopted in June 2008 based on a blended student membership count of 12,204.38. Approximately 83 percent of total General Fund revenue is from the foundation allowance. Under state law, the School District cannot assess additional property tax revenue for general operations. As a result, School District funding is heavily dependent on the State's ability to fund local school operations. Once the final student count and related per pupil funding are validated, state law requires the School District to amend the budget if actual School District resources are not sufficient to fund original appropriations.

Troy School District

Management's Discussion and Analysis (Continued)

Since the School District's revenue is heavily dependent on state funding and the health of the State's School Aid Fund, the actual revenue received depends on the State's ability to collect revenues to fund its appropriation to school districts. The State periodically holds a revenue-estimating conference to estimate revenues. If actual state revenues are less than their estimates, reduction to the per-pupil funding allowance may be necessary. The School District budgeted a \$50 per pupil increase in the foundation allowance when the budget was created. The actual increase as approved by the legislature is \$56 per pupil. The School District's General Fund balance of \$24,196,986 is sufficient to meet any unanticipated shortfalls the State may experience in the School Aid Fund.

Troy School District

Statement of Net Assets June 30, 2008

	Governmental Activities
Assets	
Cash and investments (Note 3)	\$ 32,677,494
Receivables (Note 4):	
Accounts receivable	81,143
Taxes receivable	66,620
Due from other governmental units	14,009,813
Accrued interest	148,056
Inventories	240,513
Prepaid expenses	286,758
Restricted cash and investments (Notes 3 and 10)	24,972,605
Nondepreciable capital assets (Note 5)	3,395,457
Depreciable capital assets (Note 5)	175,477,401
Total assets	251,355,860
Liabilities	
Accounts payable	3,502,558
Accrued payroll and other liabilities	11,660,618
Deferred revenue (Note 4)	686,242
Long-term liabilities (Note 7):	
Compensated absences and other liabilities, due within one year	1,846,671
Bonds and contracts payable, due within one year	11,358,646
Bonds and contracts payable, due in more than one year	144,785,728
Compensated absences and other liabilities, due in more than one year	10,961,379
Total liabilities	184,801,842
Net Assets	
Invested in capital assets - Net of related debt	40,667,213
Restricted for:	
Debt service	1,734,957
Capital projects	2,276,778
Unrestricted	21,875,070
Total net assets	\$ 66,554,018

Troy School District

Statement of Activities Year Ended June 30, 2008

	Program Revenue			Governmental Activities
	Expenses	Charges for Services	Operating Grants/ Contributions	Net (Expense) Revenue and Changes in Net Assets
Functions/Programs				
Primary government - Governmental activities:				
Instruction	\$ 87,130,404	\$ 985,219	\$ 15,656,756	\$ (70,488,429)
Support services	56,490,210	159,308	4,048,880	(52,282,022)
Food services	3,325,579	2,760,105	579,178	13,704
Athletics	2,173,322	241,758	-	(1,931,564)
Community services	2,720,825	2,515,851	-	(204,974)
Facilities acquisition	12,472	-	-	(12,472)
Interest and other bond expenditures on long-term debt	<u>7,673,678</u>	<u>-</u>	<u>-</u>	<u>(7,673,678)</u>
 Total primary government - Governmental activities	 <u>\$ 159,526,490</u>	 <u>\$ 6,662,241</u>	 <u>\$ 20,284,814</u>	 <u>(132,579,435)</u>
 General revenue:				
Taxes:				
Property taxes, levied for general purposes				49,844,028
Property taxes, levied for debt services				18,391,734
State aid not restricted to specific purposes				63,276,294
Interest and investment earnings				4,554,422
Other				320,599
Special item - Loss on sale of capital assets				<u>(322,419)</u>
 Total general revenue and special item				<u>136,064,658</u>
 Change in Net Assets				3,485,223
 Net Assets - Beginning of year				<u>63,068,795</u>
 Net Assets - End of year				<u>\$ 66,554,018</u>

Troy School District

Governmental Funds Balance Sheet June 30, 2008

	General Fund	Capital Projects 2004	Other Nonmajor Governmental Funds	Total
Assets				
Cash and investments (Note 3)	\$ 21,250,537	\$ 23,395,846	\$ 9,855,922	\$ 54,502,305
Receivables:				
Accounts receivable	47,648	32,251	1,244	81,143
Taxes receivable	54,254	-	12,366	66,620
Due from other funds (Note 6)	781,388	-	294,184	1,075,572
Due from other governmental units (Note 4)	13,971,105	-	38,708	14,009,813
Accrued interest	18,711	75,558	46,849	141,118
Inventories	168,931	-	71,582	240,513
Prepays and other assets	286,633	-	125	286,758
Total assets	\$ 36,579,207	\$ 23,503,655	\$ 10,320,980	\$ 70,403,842
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ 1,637,487	\$ 2,006,074	\$ 23,505	\$ 3,667,066
Accrued payroll and other liabilities	10,406,082	-	35,027	10,441,109
Due to other funds (Note 6)	-	62,565	758,167	820,732
Deferred revenue (Note 4)	338,652	-	347,590	686,242
Total liabilities	12,382,221	2,068,639	1,164,289	15,615,149
Fund Balances				
Reserved:				
Inventory and prepaid items	455,564	-	71,707	527,271
Purchase commitments	157,214	-	-	157,214
Debt service	-	-	1,734,957	1,734,957
Capital Projects Fund	-	21,435,016	-	21,435,016
Unreserved:				
Designated for Durant projects	-	-	5,610,166	5,610,166
Designated for subsequent years' expenditures	3,859,756	-	-	3,859,756
Undesignated - Reported in Special Revenue Funds	-	-	1,739,861	1,739,861
Undesignated	19,724,452	-	-	19,724,452
Total fund balances	24,196,986	21,435,016	9,156,691	54,788,693
Total liabilities and fund balances	\$ 36,579,207	\$ 23,503,655	\$ 10,320,980	\$ 70,403,842

Troy School District

Reconciliation of Governmental Fund Balances to the Statement of Net Assets June 30, 2008

Fund Balances - Total Governmental Funds	\$ 54,788,693
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Amounts reported for governmental activities in the statement of net assets
are different because capital assets used in governmental activities
are not financial resources and are not reported in the funds:

Capitalized cost of the capital assets	288,248,048
Accumulated depreciation	<u>(109,375,190)</u>

Total	178,872,858
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Long-term liabilities are not due and payable in the current period and
are not reported in the funds:

Bonds payable, including issuance premiums and deferred interest	(156,144,374)
Compensated absences	(8,306,243)
Other long-term liabilities	<u>(2,034,321)</u>

Internal Service Fund assets and liabilities are included in governmental
activities in the statement of net assets

596,914

Accrued interest payable is not included as a liability in governmental
activities

(1,219,509)

Net Assets of Governmental Activities

\$ 66,554,018

Troy School District

Governmental Funds Statement of Revenue, Expenditures, and Changes in Fund Balances Year Ended June 30, 2008

	General Fund	Capital Projects 2004	Other Nonmajor Governmental Funds	Total
Revenue				
Local sources	\$ 52,943,961	\$ 335,263	\$ 26,305,577	\$ 79,584,801
State sources	68,816,026	-	104,438	68,920,464
Federal sources	5,258,979	-	474,740	5,733,719
Interdistrict and other sources	8,622,042	-	-	8,622,042
Total revenue	135,641,008	335,263	26,884,755	162,861,026
Expenditures				
Current:				
Instruction	85,842,791	-	-	85,842,791
Support services	48,117,608	-	-	48,117,608
Community services	885,109	-	1,833,240	2,718,349
Facilities acquisition	12,472	-	-	12,472
Food services	-	-	3,258,613	3,258,613
Athletics	-	-	1,890,367	1,890,367
Debt service principal	-	-	10,165,000	10,165,000
Debt service interest and other	-	-	7,728,238	7,728,238
Other bond expenditures	-	-	21,814	21,814
Capital outlay	-	16,090,524	13,661,375	29,751,899
Total expenditures	134,857,980	16,090,524	38,558,647	189,507,151
Excess of Revenue Over (Under) Expenditures	783,028	(15,755,261)	(11,673,892)	(26,646,125)
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	113,953	-	13,408	127,361
Transfers in (Note 6)	529,673	-	1,647,081	2,176,754
Transfers out (Note 6)	(1,647,081)	-	(529,673)	(2,176,754)
Total other financing sources (uses)	(1,003,455)	-	1,130,816	127,361
Net Change in Fund Balances	(220,427)	(15,755,261)	(10,543,076)	(26,518,764)
Fund Balances - Beginning of year	24,417,413	37,190,277	19,699,767	81,307,457
Fund Balances - End of year	<u>\$ 24,196,986</u>	<u>\$ 21,435,016</u>	<u>\$ 9,156,691</u>	<u>\$ 54,788,693</u>

Troy School District

Governmental Funds Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended June 30, 2008

Net Change in Fund Balances - Total Governmental Funds **\$ (26,518,764)**

Amounts reported for governmental activities in the statement of activities are different because governmental funds report capital outlays as expenditures; in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:

Depreciation expense	(10,381,420)
Capital outlay	<u>28,654,845</u>

Total	18,273,425
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The net effect of other transactions involving capital assets that increased (decreased) net assets:

Proceeds from the sale of fixed assets	(127,361)
Loss on sale of fixed assets	(322,419)

Accrued interest is recorded in the statement of activities when incurred; it is not reported in governmental funds until paid	76,374
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Repayment of bond principal is an expenditure in the governmental funds, but not in the statement of activities (where it reduces long-term debt)	10,165,000
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Amortization of deferred interest	(142,371)
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Amortization of bond premium	466,017
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Internal Service Fund activity	149,435
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Decreases in compensated absences and self-insurance are reported as expenditures when financial resources are used in the governmental funds, excluding Internal Service Fund early retirement incentive	<u>1,465,887</u>
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Change in Net Assets of Governmental Activities **\$ 3,485,223**

Troy School District

Proprietary Fund - Internal Service Fund Statement of Net Assets June 30, 2008

Assets - Current assets	
Investments (Note 3)	\$ 3,147,794
Accrued interest receivable	<u>6,938</u>
Total assets	3,154,732
Liabilities	
Current liabilities - Early retirement incentive (Note 7)	1,216,728
Long-term liabilities - Early retirement incentive (Note 7)	1,250,758
Due to other funds (Note 6)	<u>90,332</u>
Total liabilities	<u>2,557,818</u>
Net Assets - Unrestricted	<u>\$ 596,914</u>

Troy School District

Proprietary Fund - Internal Service Fund Statement of Revenues, Expenses, and Changes in Net Assets Year Ended June 30, 2008

Operating Revenues - Charges for services	\$ 214,179
Operating Expenses - Early retirement incentive	<u>214,204</u>
Operating Loss	(25)
Nonoperating Revenues - Interest income	<u>149,460</u>
Change in Net Assets	149,435
Net Assets - Beginning of year	<u>447,479</u>
Net Assets - End of year	<u><u>\$ 596,914</u></u>

Troy School District

Proprietary Fund - Internal Service Fund Statement of Cash Flows Year Ended June 30, 2008

Cash Flows from Operating Activities - Payments for services	\$ (710,531)
Cash Flows from Investing Activities - Interest	<u>146,804</u>
Net Decrease in Cash and Cash Equivalent Investments	(563,727)
Cash and Cash Equivalent Investments - July 1, 2007	<u>3,711,521</u>
Cash and Cash Equivalent Investments - June 30, 2008	<u>\$ 3,147,794</u>
Reconciliation of operating loss to net cash from operating activities:	
Operating loss	\$ (25)
Adjustments to reconcile operating loss to net cash from operating activities:	
Increase in due from other funds	292,053
Decrease in accrued liabilities	<u>(1,002,559)</u>
Net cash used in operating activities	<u>\$ (710,531)</u>

Troy School District

Fiduciary Fund Statement of Fiduciary Assets and Liabilities June 30, 2008

	Student Activities Agency Fund
Assets	
Cash and investments (Note 3)	\$ 1,887,179
Accrued interest receivable	<u>4,092</u>
Total assets	<u><u>\$ 1,891,271</u></u>
Liabilities	
Accounts payable	\$ 96,471
Due to other funds (Note 6)	164,508
Due to student groups	<u>1,630,292</u>
Total liabilities	<u><u>\$ 1,891,271</u></u>

Note 1 - Summary of Significant Accounting Policies

The accounting policies of the Troy School District (the "School District") conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by the School District:

Reporting Entity

The School District is governed by an elected seven-member Board of Education. The accompanying financial statements have been prepared in accordance with criteria established by the Governmental Accounting Standards Board for determining the various governmental organizations to be included in the reporting entity. These criteria include significant operational and financial relationships that determine which of the governmental organizations are a part of the School District's reporting entity, and which organizations are legally separate, component units of the School District. Based on application of the criteria, the entity does not contain any component units.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government. Substantially all interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenue, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. All the School District's government-wide activities are considered governmental activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function. Program revenue includes (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes, intergovernmental payments, and other items not properly included among program revenue are reported instead as general revenue.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, although the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Note 1 - Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-wide Financial Statements - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants, categorical aid, and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The effect of interfund activity has been substantially eliminated from the government-wide financial statements.

Amounts reported as program revenue include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenue rather than as program revenue. Likewise, general revenue includes all taxes and unrestricted state aid.

Fund Financial Statements - Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenue to be available if it is collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, unrestricted state aid, intergovernmental grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be available only when cash is received by the government.

Note I - Summary of Significant Accounting Policies (Continued)

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The only proprietary fund maintained is an Internal Service Fund that is used to account for the financing of an early retirement incentive payment provided to other funds on a cost-reimbursement basis. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

Fiduciary Fund and Internal Service Fund statements are also reported using the economic resources measurement focus and the accrual basis of accounting.

The School District reports the following major governmental funds:

General Fund - The General Fund is the School District's primary operating fund. It accounts for all financial resources of the School District, except those required to be accounted for in another fund.

2004 Capital Projects Fund - The 2004 Capital Projects Fund is used to record bond proceeds or other revenue and the disbursement of invoices specifically designated for acquiring sites, buildings, and equipment and for major remodeling projects.

Additionally, the School District reports the following fund types:

The School District's proprietary fund is the Internal Service Fund. The purpose of the Internal Service Fund is to finance services provided to other funds on a cost-reimbursement basis. The Internal Service Fund is for the Voluntary Resignation Incentive Plan and is funded through payments from the General Fund.

The School District's only fiduciary fund is the Student Activities Agency Fund, which accounts for assets held by the School District in a trustee capacity or as an agent.

Additionally, the School District reports the following nonmajor governmental fund types:

The School District maintains five governmental Debt Service Funds, which are used to account for property tax and other revenue legally restricted for payment of long-term debt.

Troy School District

Notes to Financial Statements June 30, 2008

Note I - Summary of Significant Accounting Policies (Continued)

The School District maintains four nonmajor governmental Special Revenue Funds, which account for the School District's food services, athletics, adult and community education activities, and Durant funds.

The School District maintains one Capital Projects Fund that is used to record bond proceeds or other revenue and the disbursement of invoices specifically designated for acquiring sites, buildings, and equipment and for major remodeling projects. This fund has been closed out as of June 30, 2008.

Assets, Liabilities, and Net Assets or Equity

Cash and Investments – Cash and investments include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value. Pooled investment income from the General Fund and various Debt Service Funds is allocated to each fund using a weighted average of balance for the principal invested.

Receivables and Payables – In general, outstanding balances between funds are reported as "due to/from other funds."

All trade and property tax receivables are considered fully collectible and no allowance for uncollectible amounts is recorded.

Property Taxes – The property tax revenue of the School District is collected and distributed by the City of Troy as an agent for the School District. The State of Michigan establishes the process by which taxes are levied and collected. The city assessor is required to assess real property as of December 31 and complete the tax rolls by May 1. Taxes are levied on July 1 for approximately 50 percent of the school taxes due September 1 and December 1 for the remainder of the school property taxes that are due on February 15. A taxpayer may petition the City Board of Review during the first weeks of March for a revision of the assessed value. The city assessor makes approved changes in assessed and taxable values by May 1 and on this date the city treasurer is to deliver the completed assessment rolls to the county treasurer.

Taxes are considered delinquent on March 1 of the following year. At this time, penalties and interest are assessed and the total obligation is added to the county tax rolls.

Inventories and Prepaid Items – Inventories are valued at cost, on a first-in, first-out basis. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements.

Note 1 - Summary of Significant Accounting Policies (Continued)

Restricted Assets – The unspent bond proceeds and related interest of the Capital Projects Fund requires amounts to be set aside for construction and fixed asset acquisition. The property taxes levied in the Debt Service Funds are required to be set aside for future principal and interest payments on bonded debt. These amounts have been classified as restricted assets on the government-wide statements.

Capital Assets – Capital assets, which include land, buildings, equipment, and vehicles, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Costs of normal repair and maintenance that do not add to the value or materially extend asset life are not capitalized. The School District does not have infrastructure-type assets.

Buildings, equipment, and vehicles are depreciated using the straight-line method over the following useful lives:

Buildings and additions	20-50 years
Buses and other vehicles	5-10 years
Furniture and other equipment	5-20 years

Compensated Absences – The liability for compensated absences reported in the government-wide statements consists of unpaid salaries, accumulated annual sick leave balances, and early retirement obligations. The liability has been calculated using the vesting method, in which sick leave amounts for both employees who are currently eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

Long-term Obligations – In the financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net assets. In the fund financial statements, governmental fund types recognize bond proceeds, premiums and discounts, as well as bond issuance costs, during the current period.

Fund Equity – In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Comparative Data – Comparative data is not included in the School District's financial statements.

Troy School District

Notes to Financial Statements June 30, 2008

Note 2 - Stewardship, Compliance, and Accountability

Budgetary Information – Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America and state law for the General, Special Revenue, Debt Service, Internal Service, and Capital Projects Funds. All annual appropriations lapse at fiscal year end. The budget document presents major General Fund information by function. The legal level of budgetary control adopted by the governing body (i.e., the level at which expenditures may not legally exceed appropriations) is the function level. State law requires the School District to have its budget in place by July 1. Expenditures in excess of amounts budgeted are a violation of Michigan law. State law permits districts to amend their budgets during the year.

The School District amended budgeted amounts during the year in response to changes in anticipated spending for salaries, benefits, and other expenditures.

Excess of Expenditures Over Appropriations in Budgeted Funds – The School District did not have significant General Fund expenditure budget variances.

Capital Projects Fund Compliance – The 2004 Capital Projects Fund and 2006 Capital Projects Fund include capital project activities funded with bonds issued after May 1, 1994. For these capital projects, the School District has complied with the applicable provisions of §1351a of the State of Michigan's School Code.

Beginning with the year of bond issuance, the School District has reported the annual construction activity in the 2006 Capital Projects Fund. The project for which the 2006 School Building and Site bonds were issued was considered complete on June 30, 2008 and the cumulative expenditures recognized for the construction period were \$61,254,659.

Note 3 - Deposits and Investments

State statutes (and the School District's investment policy) authorize the School District to make deposits in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The School District is allowed to invest in U.S. Treasury or agency obligations, U.S. government repurchase agreements, bankers' acceptances, commercial paper rated prime at the time of purchase that matures not more than 270 days after the date of purchase, mutual funds, and investment pools that are composed of authorized investment vehicles. The School District's deposits are in accordance with statutory authority.

The School District has designated six banks for the deposit of its funds.

The investment policy adopted by the board in accordance with state statutes has authorized investment in all the allowable investment vehicles noted above.

Note 3 - Deposits and Investments (Continued)

The School District's cash and investments are subject to several types of risk, which are examined in more detail below:

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. The School District's investment policy requires that financial institutions be evaluated and only those with an acceptable risk level are used for the School District's deposits for custodial credit risk. At year end, the School District's deposit balance of \$23,101,079 had \$22,677,915 of bank deposits (certificates of deposit, checking, and savings accounts) that were uninsured and uncollateralized. The School District believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the School District evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

Custodial Credit Risk of Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The School District's policy for custodial credit risk states the School District will minimize this risk by limiting investments to the types of investments listed above and prequalifying the financial institutions, broker/dealers, intermediaries, and advisors with which the School District will do business. At June 30, 2008, the School District does not have investments with custodial credit risk.

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The School District's investment policy restricts investment maturities to three years or less from the date of purchase and commercial paper which can only be purchased with a 270-day maturity. The overall weighted average duration of the entire portfolio shall be less than two years. The School District's policy minimizes interest rate risk by requiring the structuring of the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market, investing operating funds primarily in shorter-term securities, liquid asset funds, money market mutual funds, or similar investment pools and limiting the average maturity in accordance with the School District's cash requirements.

Troy School District

Notes to Financial Statements June 30, 2008

Note 3 - Deposits and Investments (Continued)

Credit Risk

State law limits investments in commercial paper to the top three ratings issued by nationally recognized statistical rating organizations. The School District's investment policy does not further limit its investment choices.

At year end, the maturities of investments and the credit quality ratings of debt securities (other than the U.S. government) are as follows:

Type	Name of Investment/Description	Fair Value	Maturity Date	Rating Agency Used	Rating Given
U.S. gov or agency bond or note	Federal Home Loan Bank	\$ 984,635	9/26/2008	Standard & Poor's	AAA
U.S. gov or agency bond or note	Federal Home Loan Bank	807,419	1/8/2009	Standard & Poor's	AAA
U.S. gov or agency bond or note	Federal Home Loan Bank	2,962,740	7/28/2008	Standard & Poor's	AAA
U.S. gov or agency bond or note	Federal Home Loan Mortgage Corp	992,790	10/6/2008	Standard & Poor's	AAA
U.S. gov or agency bond or note	Federal Home Loan Mortgage Corp	991,480	8/15/2008	Standard & Poor's	AAA
U.S. gov or agency bond or note	Federal Home Loan Mortgage Corp.	1,610,418	5/21/2009	Standard & Poor's	AAA
U.S. gov or agency bond or note	Federal National Mortgage Association	585,398	11/17/2008	Standard & Poor's	AAA
U.S. gov or agency bond or note	Federal National Mortgage Association	1,132,783	8/15/2008	Standard & Poor's	AAA
U.S. gov or agency bond or note	Federal Farm Credit Bank	1,470,225	4/15/2009	Standard & Poor's	AAA
U.S. gov or agency bond or note	Federal Farm Credit Bank	1,993,700	6/10/2009	Standard & Poor's	AAA
Interlocal agreement fund	MILAF	9,634,793	N/A	Standard & Poor's	AAA
Commercial paper	American Express	899,689	7/21/2008	Standard & Poor's	A-1
Commercial paper	American Express	899,689	7/21/2008	Standard & Poor's	A-1
Commercial paper	American Express	2,900,326	7/21/2008	Standard & Poor's	A-1
Commercial paper	General Electric	480,273	8/3/2007	Standard & Poor's	A-1+
Commercial paper	General Electric	229,176	7/21/2008	Standard & Poor's	A-1+
Commercial paper	General Electric	349,742	7/21/2008	Standard & Poor's	A-1+
Commercial paper	General Electric	150,459	7/21/2008	Standard & Poor's	A-1+
Commercial paper	General Electric	1,750,704	7/21/2008	Standard & Poor's	A-1+
Total		<u>\$ 30,826,439</u>			

Note 3 - Deposits and Investments (Continued)

Concentration of Credit Risk

The School District places limits on the amount the School District may invest in any one issuer. The following requirements do not apply to the funds derived from the sale of debt. The School District's policy is as follows:

- **U.S. Government Securities** - A maximum of 100 percent of available funds may be invested in United States government securities.
- **U.S. Government Agencies** - A maximum of 50 percent of available funds may be invested in United States government agencies. A maximum of 10 percent of available funds may be invested in any individual United States government agency.
- **Federal Instrumentalities** - A maximum of 80 percent of available funds may be invested in federal instrumentalities. A maximum of 30 percent of available funds may be invested in any one issuer and a maximum of 25 percent of available funds may be invested in callable securities.
- **Certificates of Deposit** - A maximum of 75 percent of available funds may be invested in non-negotiable interest-bearing time certificates of deposit. A maximum of 37.5 percent of available funds may be deposited with any one institution.
- **Repurchase Agreements** - A maximum of 20 percent of available funds may be invested in repurchase agreements excluding one business day agreements and overnight sweep agreements.
- **Commercial Paper** - A maximum of 60 percent of available funds may be directly invested in prime commercial paper. A maximum of 30 percent of available funds may be invested with any one issuer.
- **Bankers' Acceptances** - A maximum of 20 percent of available funds may be directly invested in bankers' acceptances. A maximum of 5 percent of available funds may be invested with any one issuer.
- **Registered Investment Companies (Money Market Mutual Funds)** - A maximum of 100 percent of available funds may be invested in money market funds.

Troy School District

Notes to Financial Statements June 30, 2008

Note 3 - Deposits and Investments (Continued)

The School District's policy minimizes concentration of credit risk by requiring diversification of the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized. More than 5 percent of the School District's investments are in the following commercial paper or government agency obligation:

<u>Issuer</u>	<u>Percent of Total Investments</u>
Federal National Mortgage Association	5.57
General Electric	9.60
Federal Farm Credit Bank	11.24
Federal Home Loan Mortgage Corp.	11.66
American Express	15.25
Federal Home Loan Bank	15.42
Michigan Liquid Asset Fund Plus	31.25

Foreign Currency Risk

Foreign currency risk is the risk that an investment denominated in the currency of a foreign country could reduce its U.S. dollar value as a result of changes in foreign currency exchange rates. State law and the School District's policy prohibit investment in foreign currency.

Note 4 - Receivables and Deferred Revenue

The majority of the amount due from other governmental units, reflected on the General Fund balance sheet, is due from the State of Michigan for state aid membership which totals \$12,427,552 at June 30, 2008.

Governmental funds report deferred revenue in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. At the end of the current fiscal year, deferred revenue consists of fees for services received prior to providing the related services.

Troy School District

Notes to Financial Statements June 30, 2008

Note 5 - Capital Assets

Capital asset activity of the School District's governmental activities was as follows:

	Balance July 1, 2007	Additions	Transfers and Disposals	Balance June 30, 2008
Assets not being depreciated:				
Land	\$ 2,592,570	\$ -	\$ -	\$ 2,592,570
Construction in progress	39,859,162	802,887	(39,859,162)	802,887
Subtotal	42,451,732	802,887	(39,859,162)	3,395,457
Capital assets being depreciated:				
Buildings and building improvements	157,057,227	63,206,585	-	220,263,812
Furniture and equipment	63,144,673	4,504,535	(3,060,429)	64,588,779
Subtotal	220,201,900	67,711,120	(3,060,429)	284,852,591
Total capital assets	262,653,632	68,514,007	(42,919,591)	288,248,048
Accumulated depreciation:				
Buildings and building improvements	59,110,584	5,523,102	-	64,633,686
Furniture and equipment	42,493,835	4,858,318	(2,610,649)	44,741,504
Subtotal	101,604,419	10,381,420	(2,610,649)	109,375,190
Net capital assets being depreciated	118,597,481	57,329,700	(449,780)	175,477,401
Net capital assets	\$ 161,049,213	\$ 58,132,587	\$ (40,308,942)	\$ 178,872,858

Depreciation expense was charged to specific activities of the School District as follows:

Governmental activities:

Instruction	\$ 2,048,343
Support services	7,980,680
Food services	66,966
Athletics	282,955
Community services	2,476
Total governmental activities	\$ 10,381,420

Construction Commitments - The School District has active construction projects at year end. The projects include the 2004 Bond issue and various projects. At year end, the School District's commitments with contractors totaled \$2,991,278.

Troy School District

Notes to Financial Statements June 30, 2008

Note 6 - Interfund Receivables, Payables, and Transfers

The composition of interfund balances is as follows:

Fund Due To	Fund Due From					Total
	General Fund	Capital Projects 2004	Nonmajor Governmental Funds	Internal Service Fund	Student Activities Agency Fund	
General Fund	\$ (294,184)	\$ 62,565	\$ 758,167	\$ 90,332	\$ 164,508	\$ 781,388
Nonmajor governmental funds	294,184	-	-	-	-	294,184
Total	\$ -	\$ 62,565	\$ 758,167	\$ 90,332	\$ 164,508	\$ 1,075,572

Interfund balances represent routine and temporary cash flow assistance from the General Fund until amounts are transferred from fund investment accounts.

The composition of interfund transfers is as follows:

	Transfers		Total
	Transfers Out - General Fund	Out - Nonmajor Governmental Funds	
Transfers in:			
General Fund	\$ -	\$ 529,673	\$ 529,673
Nonmajor governmental funds	1,647,081	-	1,647,081
Total	\$ 1,647,081	\$ 529,673	\$ 2,176,754

Transfers from the General Fund subsidized operations in the Athletic Fund. Transfers from other governmental funds transferred excess funds to the General Fund as cost reimbursement or for operating purposes.

Note 7 - Long-term Debt

The School District issues bonds, notes, and other contractual commitments to provide for the acquisition and construction of major capital facilities and the acquisition of certain equipment. General obligation bonds are direct obligations and pledge the full faith and credit of the School District. Other long-term obligations include compensated absences, termination benefits, early retirement incentives, and certain risk liabilities.

The School District's bonds payable are liquidated by the various Debt Service Funds. The other long-term obligations are liquidated primarily by the General Fund.

Troy School District

Notes to Financial Statements June 30, 2008

Note 7 - Long-term Debt (Continued)

Long-term obligation activity can be summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds	\$ 160,660,000	\$ -	\$ 10,165,000	\$ 150,495,000	\$ 11,035,000
Plus deferred amounts:					
Issuance premiums	8,093,621	-	466,017	7,627,604	466,017
Deferred interest	(2,120,601)	-	(142,371)	(1,978,230)	(142,371)
Employee compensated absences	9,357,163	-	1,050,920	8,306,243	629,943
Early retirement incentive and severance obligation	4,113,891	214,179	1,493,984	2,834,086	1,216,728
Self-insured liabilities	1,805,442	14,540	152,261	1,667,721	-
Total governmental activities	<u>\$ 181,909,516</u>	<u>\$ 228,719</u>	<u>\$ 13,185,811</u>	<u>\$ 168,952,424</u>	<u>\$ 13,205,317</u>

Annual debt service requirements to maturity for the above governmental bond obligations are as follows:

	Governmental Activities		
	Principal	Interest	Total
2009	\$ 11,035,000	\$ 7,336,100	\$ 18,371,100
2010	11,495,000	6,881,250	18,376,250
2011	11,925,000	6,350,200	18,275,200
2012	12,460,000	5,790,650	18,250,650
2013	13,055,000	5,179,000	18,234,000
2014-2018	37,875,000	18,843,750	56,718,750
2019-2023	37,950,000	9,371,250	47,321,250
2024-2026	14,700,000	1,267,500	15,967,500
Total	<u>\$ 150,495,000</u>	<u>\$ 61,019,700</u>	<u>\$ 211,514,700</u>

Note 7 - Long-term Debt (Continued)**Governmental Activities**

General obligation bonds consist of the following at June 30, 2008:

\$53,545,000 General Obligation Bonds due in annual installments of \$630,000 to \$3,550,000 through May 1, 2026; interest at 5.00%	\$ 53,545,000
\$13,375,000 Refunding Bonds due in annual installments of \$2,110,000 to \$2,190,000 through May 1, 2010; interest at 2.50% to 3.50%	4,300,000
\$98,870,000 General Obligation and Refunding Bonds due in annual installments of \$4,050,000 to \$10,765,000 through May 1, 2024; interest at 3.75% to 5.00%	87,905,000
\$5,985,000 Refunding Bonds due in annual installments of \$1,135,000 to \$1,235,000 through May 1, 2012; interest at 4.00%	<u>4,745,000</u>
Total bonded debt	<u>\$ 150,495,000</u>

Other governmental activities long-term obligations include the following:

Employee compensated absences	\$ 8,306,243
Early retirement incentive and severance obligation	2,834,086
Self-insured liabilities	<u>1,667,721</u>
Total	<u>\$ 12,808,050</u>

Early Retirement Incentive - The School District has a long-term early retirement incentive program in place that calls for monthly payments of \$101,395 through August 2010. The obligation is presented at net present value using a discount rate of 2.50 percent.

Troy School District

Notes to Financial Statements June 30, 2008

Note 7 - Long-term Debt (Continued)

Defeased Debt - In prior years, the School District defeased certain bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust accounts assets and liabilities for the defeased bonds are not included in the basic financial statements. At June 30, 2008, \$51,715,000 of bonds outstanding are considered defeased.

Note 8 - Risk Management

The School District is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The School District has purchased commercial insurance for property loss claims and health insurance for certain employee groups and participates in the Metropolitan Association for Improved School Legislation (MAISL) risk pool for claims relating to property and general liability. The shared-risk pool program in which the School District participates operates as a common risk-sharing management program for school districts in Michigan; member premiums are used to purchase commercial excess insurance coverage and to pay member claims in excess of deductible amounts. The School District is only partially insured for medical claims for certain other employee groups and for all workers' compensation claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

Workers' Compensation - The School District is partially uninsured for workers' compensation claims. Under the plan, the School District's maximum loss is limited to an amount equal to a percentage of the normal workers' compensation premiums. Losses in excess of this limitation are insured up to an aggregate limit of \$5,000,000.

Health Insurance - The School District is partially uninsured for health claims for certain employee groups. The School District's maximum loss is limited to an aggregate loss fund amount (\$4,562,316 for calendar year 2008). All claims filed on a calendar year basis in excess of the loss fund are paid by an excess insurer.

Changes in the estimated liability for uninsured health and workers' compensation claims (both current and long-term) for the past two fiscal years are as follows:

	2008	2007
Estimated liability - Beginning of year	\$ 1,805,442	\$ 1,735,656
Estimated claims incurred, including changes in estimates	3,910,501	4,005,576
Claim payments	(4,048,222)	(3,935,790)
Estimated liability - End of year	<u>\$ 1,667,721</u>	<u>\$ 1,805,442</u>

Note 9 - Defined Benefit Pension Plan and Postemployment Benefits

Plan Description - The School District participates in the Michigan Public School Employees' Retirement System (MPERS), a statewide, cost-sharing, multiple-employer defined benefit public employee retirement system governed by the State of Michigan that covers substantially all employees of the School District. The system operates under the provisions of Michigan Public Act 300 of 1980 and provides retirement, survivor, and disability benefits to plan members and their beneficiaries. The system also provides postemployment healthcare benefits to retirees and beneficiaries who elect to receive those benefits.

The Michigan Public School Employees' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the pension and postemployment healthcare plans. That report is available on the web at <http://www.michigan.gov/orsschools>, or by writing to the Office of Retirement System at 7150 Harris Drive, P.O. Box 30171, Lansing, MI 48909.

Pension Benefits - Employer contributions to the pension system result from the implementing effects of the School Finance Reform Act. Under these procedures, each school district is required to contribute the full actuarial funding contribution amount to fund pension benefits. The employer contribution rate was 11.19 percent of covered payroll for the period from July 1, 2007 through September 30, 2007 and 10.17 percent for the period from October 1, 2007 through June 30, 2008. Basic plan members make no contributions, but member investment plan members contribute at rates ranging from 3 percent to 4.3 percent of gross wages. The School District's required and actual contributions to the plan for the years ended June 30, 2008, 2007, and 2006 were \$8,433,579, \$9,170,420, and \$7,916,356, respectively.

Postemployment Benefits - Under the MPERS Act, all retirees participating in the MPERS pension plan have the option of continuing health, dental, and vision coverage through MPERS. Retirees electing this coverage contribute an amount equivalent to the monthly cost for Part B Medicare and 10 percent of the monthly premium amount for the health, dental, and vision coverage at the time of receiving the benefits. The MPERS board of trustees annually sets the employer contribution rate to fund the benefits on a pay-as-you-go basis. Participating employers are required to contribute at that rate. The employer contribution rate was 6.55 percent of covered payroll for the period from July 1, 2007 through September 30, 2007 and 6.55 percent for the period from October 1, 2007 through June 30, 2008. The School District's required and actual contributions to the plan for retiree healthcare benefits for the years ended June 30, 2008, 2007, and 2006 were \$5,431,656, \$5,367,851, and \$5,296,439, respectively.

Troy School District

Notes to Financial Statements June 30, 2008

Note 10 - Restricted Assets

The balances of governmental activities restricted asset accounts are as follows:

Unspent bond proceeds and related interest	\$ 23,395,846
Property tax collections for repayment of bonded indebtedness	<u>1,576,759</u>
Total restricted assets	<u><u>\$ 24,972,605</u></u>

Required Supplemental Information

Troy School District

Required Supplemental Information Budgetary Comparison Schedule - General Fund Year Ended June 30, 2008

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
Revenue				
Local sources	\$ 53,155,210	\$ 53,008,596	\$ 52,943,961	\$ (64,635)
State sources	67,083,251	68,645,827	68,816,026	170,199
Federal sources	5,504,855	5,799,065	5,258,979	(540,086)
Interdistrict and other sources	7,878,754	8,199,977	8,622,042	422,065
Total revenue	133,622,070	135,653,465	135,641,008	(12,457)
Expenditures - Current				
Instruction:				
Basic programs	68,799,073	67,825,088	67,910,771	85,683
Added needs	15,510,563	15,554,662	15,490,099	(64,563)
Adult and continuing education	2,478,233	2,607,829	2,441,921	(165,908)
Support services:				
Pupil	11,001,106	10,446,349	10,321,443	(124,906)
Instructional staff	7,542,054	7,770,563	7,834,993	64,430
General administration	2,123,792	2,137,827	2,196,132	58,305
School administration	7,594,798	7,771,678	7,622,702	(148,976)
Business services	1,455,956	1,481,798	1,180,961	(300,837)
Operations and maintenance	12,834,596	12,806,042	12,733,930	(72,112)
Transportation	4,681,319	4,463,592	4,526,031	62,439
Central support services	1,865,298	1,997,466	1,701,416	(296,050)
Community services	971,145	888,835	885,109	(3,726)
Facilities acquisition	-	31,580	12,472	(19,108)
Total expenditures	136,857,933	135,783,309	134,857,980	(925,329)
Other Financing Sources (Uses)				
Transfers in	561,569	555,572	529,673	(25,899)
Transfers out	(1,725,960)	(1,778,084)	(1,647,081)	131,003
Proceeds from sale of fixed assets	4,228,000	28,000	113,953	85,953
Total other financing sources (uses)	3,063,609	(1,194,512)	(1,003,455)	191,057
Net Change in Fund Balance	(172,254)	(1,324,356)	(220,427)	1,103,929
Fund Balance - July 1, 2007	24,417,413	24,417,413	24,417,413	-
Fund Balance - June 30, 2008	<u>\$ 24,245,159</u>	<u>\$ 23,093,057</u>	<u>\$ 24,196,986</u>	<u>\$ 1,103,929</u>

Other Supplemental Information

Troy School District

	Special Revenue Funds				Capital Project Fund
	Food Services	Athletics	Adult and Community Education	Durant	406
Assets					
Cash and investments	\$ 1,179,256	\$ 69,232	\$ 1,233,228	\$ 5,797,445	\$ 2
Accounts receivable	-	1,037	207	-	-
Taxes receivable	-	-	-	-	-
Due from other funds	-	-	-	-	14
Due from other governmental units	38,708	-	-	-	-
Accrued interest receivable	2,152	-	2,152	39,716	-
Inventories	71,582	-	-	-	-
Prepays and other assets	-	-	125	-	-
Total assets	\$ 1,291,698	\$ 70,269	\$ 1,235,712	\$ 5,837,161	\$ 16
Liabilities and Fund Balances					
Liabilities					
Accounts payable	\$ 3,117	\$ 10,092	\$ 10,280	\$ -	\$ 16
Accrued payroll and other liabilities	3,688	93	31,246	-	-
Due to other funds	229,424	60,084	90,497	226,995	-
Deferred revenue	90,431	-	257,159	-	-
Total liabilities	326,660	70,269	389,182	226,995	16
Fund Balances					
Reserved:					
Inventory and prepaid items	71,582		125	-	-
Debt service	-		-	-	-
Unreserved:					
Designated for Durant projects	-	-	-	5,610,166	-
Undesignated	893,456	-	846,405	-	-
Total fund balances	965,038	-	846,530	5,610,166	-
Total liabilities and fund balances	\$ 1,291,698	\$ 70,269	\$ 1,235,712	\$ 5,837,161	\$ 16

**Other Supplemental Information
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2008**

Debt Service Funds

<u>1997</u>	<u>2004A</u>	<u>2004</u>	<u>2006</u>	<u>2007</u>	<u>Total</u>
\$ 355,996	\$ 193,236	\$ 527,168	\$ 255,591	\$ 244,768	\$ 9,855,922
-	-	-	-	-	1,244
-	1,689	5,418	1,258	4,001	12,366
13,318	17,164	224,038	39,650	-	294,184
-	-	-	-	-	38,708
818	352	1,123	536	-	46,849
-	-	-	-	-	71,582
-	-	-	-	-	125
<u>\$ 370,132</u>	<u>\$ 212,441</u>	<u>\$ 757,747</u>	<u>\$ 297,035</u>	<u>\$ 248,769</u>	<u>\$ 10,320,980</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,505
-	-	-	-	-	35,027
-	-	-	-	151,167	758,167
-	-	-	-	-	347,590
-	-	-	-	151,167	1,164,289
-	-	-	-	-	71,707
370,132	212,441	757,747	297,035	97,602	1,734,957
-	-	-	-	-	5,610,166
-	-	-	-	-	1,739,861
<u>370,132</u>	<u>212,441</u>	<u>757,747</u>	<u>297,035</u>	<u>97,602</u>	<u>9,156,691</u>
<u>\$ 370,132</u>	<u>\$ 212,441</u>	<u>\$ 757,747</u>	<u>\$ 297,035</u>	<u>\$ 248,769</u>	<u>\$ 10,320,980</u>

Troy School District

	Special Revenue Funds			
	Food Services	Athletics	Adult and Community Education	Durant
Revenue				
Local sources	\$ 2,806,492	\$ 243,286	\$ 2,312,254	\$ 226,995
State sources	104,438	-	-	-
Federal sources	474,740	-	-	-
Total revenue	3,385,670	243,286	2,312,254	226,995
Expenditures				
Current:				
Community services	-	-	1,833,240	-
Food services	3,258,613	-	-	-
Athletics	-	1,890,367	-	-
Debt service:				
Principal	-	-	-	-
Interest and other	-	-	-	-
Other bond expenditures	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	3,258,613	1,890,367	1,833,240	-
Excess of Revenue Over (Under) Expenditures	127,057	(1,647,081)	479,014	226,995
Other Financing Sources (Uses)				
Transfers (out) in	(214,912)	1,647,081	(87,766)	(226,995)
Proceeds from sale of capital assets	90	-	-	-
Total other financing (uses) sources	(214,822)	1,647,081	(87,766)	(226,995)
Net Change in Fund Balances	(87,765)	-	391,248	-
Fund Balances - Beginning of year	1,052,803	-	455,282	5,610,166
Fund Balances - End of year	\$ 965,038	\$ -	\$ 846,530	\$ 5,610,166

Other Supplemental Information
Combining Statement of Revenue, Expenditures, and
Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2008

Capital Projects Fund		Debt Service Fund				
2006	1997	2004A	2004	2006	2007	Total
\$ 2,089,984	\$ 3,617	\$ 2,496,030	\$ 11,697,441	\$ 2,821,177	\$ 1,608,301	\$ 26,305,577
-	-	-	-	-	-	104,438
-	-	-	-	-	-	474,740
2,089,984	3,617	2,496,030	11,697,441	2,821,177	1,608,301	26,884,755
-	-	-	-	-	-	1,833,240
-	-	-	-	-	-	3,258,613
-	-	-	-	-	-	1,890,367
-	-	2,295,000	6,630,000	-	1,240,000	10,165,000
-	-	174,500	4,618,101	2,674,957	260,680	7,728,238
-	-	3,149	6,054	2,592	10,019	21,814
13,661,375	-	-	-	-	-	13,661,375
13,661,375	-	2,472,649	11,254,155	2,677,549	1,510,699	38,558,647
(11,571,391)	3,617	23,381	443,286	143,628	97,602	(11,673,892)
-	-	-	-	-	-	1,117,408
-	13,318	-	-	-	-	13,408
-	13,318	-	-	-	-	1,130,816
(11,571,391)	16,935	23,381	443,286	143,628	97,602	(10,543,076)
11,571,391	353,197	189,060	314,461	153,407	-	19,699,767
<u>\$ -</u>	<u>\$ 370,132</u>	<u>\$ 212,441</u>	<u>\$ 757,747</u>	<u>\$ 297,035</u>	<u>\$ 97,602</u>	<u>\$ 9,156,691</u>

Troy School District

	Special Revenue Funds		Debt Service Funds	
	Budget	Actual	Budget	Actual
Revenue				
Local sources	\$ 5,523,006	\$ 5,589,027	\$ 18,407,737	\$ 18,626,566
State sources	108,951	104,438	-	-
Federal sources	475,923	474,740	-	-
Total revenue	6,107,880	6,168,205	18,407,737	18,626,566
Expenditures				
Special Revenue Funds:				
Salaries	3,002,243	2,950,588	-	-
Employee benefits	1,075,307	1,031,810	-	-
Purchased services	675,337	800,445	-	-
Supplies/Materials	266,233	2,149,550	-	-
Capital outlay	1,924,153	5,674	-	-
Other expenditures	48,190	44,153	-	-
Debt service:	-	-	-	-
Principal	-	-	10,165,000	10,165,000
Interest and other	-	-	7,728,247	7,728,238
Other bond expenditures	-	-	72,000	21,814
Capital outlay	-	-	-	-
Total expenditures	6,991,463	6,982,220	17,965,247	17,915,052
Excess of Revenue Over (Under) Expenditures	(883,583)	(814,015)	442,490	711,514
Other Financing Sources				
Transfers in	1,040,231	1,117,408	-	-
Proceeds from sale of capital assets	-	90	-	13,318
Total other financing sources	1,040,231	1,117,498	-	13,318
Net Change in Fund Balances	156,648	303,483	442,490	724,832
Fund Balances - Beginning of year	7,118,251	7,118,251	1,010,125	1,010,125
Fund Balances - End of year	<u>\$ 7,274,899</u>	<u>\$ 7,421,734</u>	<u>\$ 1,452,615</u>	<u>\$ 1,734,957</u>

Other Supplemental Information

Budgetary Comparison Schedule - Governmental Funds (Excluding General Fund) and Proprietary Fund - Internal Service Fund
Year Ended June 30, 2008

Capital Projects Funds		Internal Service Fund	
Budget	Actual	Budget	Actual
\$ 2,112,128	\$ 2,425,247	\$ 400,000	\$ 363,639
-	-	-	-
-	-	-	-
2,112,128	2,425,247	400,000	363,639
-	-	-	-
-	-	-	-
2,492,696	2,706,557	-	-
6,500	4,066	-	-
27,729,552	27,037,676	-	-
3,600	3,600	200,000	214,204
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
30,232,348	29,751,899	200,000	214,204
(28,120,220)	(27,326,652)	200,000	149,435
-	-	-	-
-	-	-	-
-	-	-	-
(28,120,220)	(27,326,652)	200,000	149,435
48,761,668	48,761,668	447,479	447,479
<u>\$ 20,641,448</u>	<u>\$ 21,435,016</u>	<u>\$ 647,479</u>	<u>\$ 596,914</u>

Troy School District

June 30	2007 Debt			2006 Debt		
	Principal	Interest	Interest Rate	Principal	Interest	Interest Rate
2009	\$ 1,235,000	\$ 189,800	4.000	\$ 630,000	\$ 2,677,250	5.000
2010	1,205,000	140,400	4.000	800,000	2,645,750	5.000
2011	1,170,000	92,200	4.000	1,775,000	2,605,750	5.000
2012	1,135,000	45,400	4.000	2,075,000	2,517,000	5.000
2013	-	-	-	2,290,000	2,413,250	5.000
2014	-	-	-	3,525,000	2,298,750	5.000
2015	-	-	-	3,525,000	2,122,500	5.000
2016	-	-	-	3,525,000	1,946,250	5.000
2017	-	-	-	3,525,000	1,770,000	5.000
2018	-	-	-	3,525,000	1,593,750	5.000
2019	-	-	-	3,525,000	1,417,500	5.000
2020	-	-	-	3,525,000	1,241,250	5.000
2021	-	-	-	3,550,000	1,065,000	5.000
2022	-	-	-	3,550,000	887,500	5.000
2023	-	-	-	3,550,000	710,000	5.000
2024	-	-	-	3,550,000	532,500	5.000
2025	-	-	-	3,550,000	355,000	5.000
2026	-	-	-	3,550,000	177,500	5.000
	\$ 4,745,000	\$ 467,800		\$ 53,545,000	\$ 28,976,500	

Principal payments due

May 1

May 1

Interest payments due

May 1 and
November 1

May 1 and
November 1

Interest rate

4.00%

5.00%

Original issue

\$ 5,985,000

\$ 53,545,000

**Other Supplemental Information
Schedule of Bonded Indebtedness
Year Ended June 30, 2008**

2004 Debt			2004A Debt		
Principal	Interest	Interest Rate	Principal	Interest	Interest Rate
\$ 6,980,000	\$ 4,340,450	4.000, 5.000	\$ 2,190,000	\$ 128,600	2.500
7,380,000	4,021,250	5.000	2,110,000	73,850	3.500
8,980,000	3,652,250	3.750, 5.000	-	-	-
9,250,000	3,228,250	5.000	-	-	-
10,765,000	2,765,750	5.000	-	-	-
4,050,000	2,227,500	5.000	-	-	-
4,050,000	2,025,000	5.000	-	-	-
4,050,000	1,822,500	5.000	-	-	-
4,050,000	1,620,000	5.000	-	-	-
4,050,000	1,417,500	5.000	-	-	-
4,050,000	1,215,000	5.000	-	-	-
4,050,000	1,012,500	5.000	-	-	-
4,050,000	810,000	5.000	-	-	-
4,050,000	607,500	5.000	-	-	-
4,050,000	405,000	5.000	-	-	-
4,050,000	202,500	5.000	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 87,905,000	\$ 31,372,950		\$ 4,300,000	\$ 202,450	
May 1			May 1		
May 1 and November 1			May 1 and November 1		
3.75% to 5.00%			2.50% to 3.50%		
\$ 98,870,000			\$ 13,375,000		

Statistical and Other Information (Unaudited)

Troy School District

Net Assets by Component

	June 30						
	2002	2003	2004	2005	2006	2007	2008
Governmental Activities							
Invested in capital assets - Net							
of related debt	\$ 22,371,818	\$ 27,171,994	\$ 25,827,547	\$ 28,949,595	\$ 35,678,044	\$ 39,520,249	\$ 40,667,213
Restricted	5,159,619	2,460,986	767,907	1,938,459	2,592,210	3,371,854	4,011,735
Unrestricted	<u>30,232,410</u>	<u>25,363,438</u>	<u>33,180,151</u>	<u>24,464,131</u>	<u>18,725,178</u>	<u>20,176,692</u>	<u>21,875,070</u>
 Total primary government net assets	 <u>\$ 57,763,847</u>	 <u>\$ 54,996,418</u>	 <u>\$ 59,775,605</u>	 <u>\$ 55,352,185</u>	 <u>\$ 56,995,432</u>	 <u>\$ 63,068,795</u>	 <u>\$ 66,554,018</u>

Note: This schedule includes all periods subsequent to the adoption of GASB No. 34.

Source: Data included in this schedule from 2002-2007 has been excerpted from prior audited financial statements.

Troy School District

Changes in Governmental Net Assets

	2002	2003	2004	2005	2006	2007	2008
Expenses							
Governmental activities:							
Instruction	\$ 77,948,704	\$ 82,042,521	\$ 80,785,619	\$ 88,747,576	\$ 84,096,275	\$ 87,171,212	\$ 87,130,404
Support services	45,276,940	49,607,745	52,928,974	53,433,135	55,765,484	53,189,328	56,490,210
Food services	2,756,344	2,946,119	3,017,616	3,121,786	3,085,138	3,161,951	3,325,579
Athletics	1,787,558	1,946,018	1,942,654	2,096,801	2,058,617	2,197,785	2,173,322
Community services	2,287,575	2,420,695	3,920,749	4,028,914	3,414,463	3,098,075	2,720,825
Facilities acquisition							12,472
Interest on long-term debt	4,975,874	4,609,160	4,335,127	5,412,602	6,318,539	8,306,480	7,673,678
Total government activities	135,032,995	143,572,258	146,930,739	156,840,814	154,738,516	157,124,831	159,526,490
Program revenues:							
Charges for services	6,299,916	6,789,416	7,386,672	7,436,496	6,914,213	6,686,027	6,662,241
Operating grants and contributions	9,498,076	9,202,867	9,440,829	17,750,348	18,417,860	19,580,075	20,284,814
Total program revenue	15,797,992	15,992,283	16,827,501	25,186,844	25,332,073	26,266,102	26,947,055
Net expense	<u>\$ (119,235,003)</u>	<u>\$ (127,579,975)</u>	<u>\$ (130,103,238)</u>	<u>\$ (131,653,970)</u>	<u>\$ (129,406,443)</u>	<u>\$ (130,858,729)</u>	<u>\$ (132,579,435)</u>
General revenues:							
Property taxes	\$ 58,278,890	\$ 59,969,080	\$ 60,404,226	\$ 66,168,277	\$ 66,462,954	\$ 66,766,960	\$ 68,235,762
State aid not restricted to specific purposes	64,340,336	63,725,350	65,502,382	58,779,988	60,069,254	62,843,834	63,276,294
Investment earnings	1,180,674	641,109	522,790	2,299,143	4,422,790	5,541,036	4,554,422
Other	128,690	217,698	130,153	73,778	181,128	1,766,150	320,599
Total general revenues	123,928,590	124,553,237	126,559,551	127,321,186	131,136,126	136,917,980	136,387,077
Special item	325,100	259,309	8,322,874	(90,636)	(86,436)	14,112	(322,419)
Changes in Net Assets	<u>\$ 5,018,687</u>	<u>\$ (2,767,429)</u>	<u>\$ 4,779,187</u>	<u>\$ (4,423,420)</u>	<u>\$ 1,643,247</u>	<u>\$ 6,073,363</u>	<u>\$ 3,485,223</u>

Note: This schedule includes all periods subsequent to the adoption of GASB No. 34.

Source: Data included in this schedule from 2002-2007 has been excerpted from prior audited financial statements.

Troy School District

	1999	2000	2001	2002
General Fund				
Reserved	\$ 2,023,140	\$ 1,801,274	\$ 2,180,575	\$ 4,741,345
Unreserved	<u>31,151,425</u>	<u>25,202,198</u>	<u>26,692,960</u>	<u>28,882,512</u>
Total General Fund	<u>\$ 33,174,565</u>	<u>\$ 27,003,472</u>	<u>\$ 28,873,535</u>	<u>\$ 33,623,857</u>
All Other Government Funds				
Reserved	\$ 34,878,153	\$ 20,442,543	\$ 13,794,972	\$ 10,555,442
Unreserved - Reported in Special Revenue Funds	<u>2,666,958</u>	<u>8,120,379</u>	<u>8,112,185</u>	<u>3,448,744</u>
Total all other governmental funds	<u>\$ 37,545,111</u>	<u>\$ 28,562,922</u>	<u>\$ 21,907,157</u>	<u>\$ 14,004,186</u>

Source: Data included in this schedule from 1999-2007 has been excerpted from prior audited financial statements.

**Fund Balances - Governmental Funds
Last Ten Fiscal Years**

<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
\$ 6,900,445	\$ 355,563	\$ 249,718	\$ 700,470	\$ 663,296	\$ 612,778
<u>24,493,723</u>	<u>35,263,833</u>	<u>25,650,229</u>	<u>22,585,559</u>	<u>23,754,117</u>	<u>23,584,208</u>
<u>\$ 31,394,168</u>	<u>\$ 35,619,396</u>	<u>\$ 25,899,947</u>	<u>\$ 23,286,029</u>	<u>\$ 24,417,413</u>	<u>\$ 24,196,986</u>
\$ 3,073,100	\$ 872,954	\$ 58,666,195	\$ 94,610,279	\$ 49,857,477	\$ 23,241,680
<u>5,013,417</u>	<u>6,450,254</u>	<u>6,423,070</u>	<u>6,927,450</u>	<u>7,032,567</u>	<u>7,350,027</u>
<u>\$ 8,086,517</u>	<u>\$ 7,323,208</u>	<u>\$ 65,089,265</u>	<u>\$ 101,537,729</u>	<u>\$ 56,890,044</u>	<u>\$ 30,591,707</u>

Troy School District

	1999	2000	2001	2002
Revenue				
Local revenue	\$ 64,576,518	\$ 65,472,282	\$ 67,042,510	\$ 65,956,043
State revenue	57,811,837	57,842,775	61,070,886	63,633,937
Federal revenue	3,150,566	2,609,815	3,252,415	3,451,666
Interdistrict revenue	-	1,545,865	3,098,539	6,684,936
Total revenue	125,538,921	127,470,737	134,464,350	139,726,582
Expenditures				
Current:				
Instruction	64,918,652	68,057,547	69,549,262	72,622,801
Support services	36,371,404	37,042,664	38,329,587	42,664,745
Community services	2,456,678	2,625,103	3,880,970	2,778,534
Facilities acquisition	-	-	-	-
Athletics	1,371,499	1,490,883	1,611,032	1,655,818
Food services	2,081,635	2,256,290	2,539,691	2,750,326
Debt service:				
Principal	6,905,000	7,260,000	7,065,000	7,765,000
Interest	6,138,702	5,761,526	5,356,946	5,014,248
Other	5,992	5,244	40,723	31,254
Capital outlay	36,950,842	16,921,595	7,603,397	6,989,544
Intergovernmental transfers	-	1,614,616	1,540,438	2,478,909
Total expenditures	157,200,404	143,035,468	137,517,046	144,751,179
Excess of Expenditures Over Revenue	(31,661,483)	(15,564,731)	(3,052,696)	(5,024,597)
Other Financing Sources (Uses)				
Proceeds from sale of bonds	-	-	-	-
Debt premium or discount	-	-	-	-
Sale of fixed assets	365,507	415,129	195,841	619,774
Transfers in	1,495,926	7,333,234	1,704,077	1,852,509
Transfers out	(1,497,366)	(7,333,234)	(1,704,077)	(1,852,509)
Debt defeasance	-	-	-	-
Other	1,859,363	(3,680)	(1,928,847)	-
Total other financing sources (uses)	2,223,430	411,449	(1,733,006)	619,774
Net Change in Fund Balances	(29,438,053)	(15,153,282)	(4,785,702)	(4,404,823)
Fund Balances - Beginning of year	100,157,729	70,719,676	55,566,394	52,032,866
Fund Balances - End of year	\$ 70,719,676	\$ 55,566,394	\$ 50,780,692	\$ 47,628,043
Debt service as a percentage of noncapital expenditures	12.17%	11.69%	10.75%	10.46%

Source: Data included in this schedule from 1999-2007 has been excerpted from prior audited financial statements.

**Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years**

2003	2004	2005	2006	2007	2008
\$ 67,660,373	\$ 68,338,207	\$ 75,829,231	\$ 77,592,739	\$ 80,506,231	\$ 79,584,801
63,223,896	62,804,461	63,708,384	65,006,361	68,528,147	68,920,464
3,510,203	3,997,606	4,567,236	5,170,638	5,475,769	5,733,719
6,151,048	8,246,778	8,229,714	8,290,309	8,082,588	8,622,042
<u>140,545,520</u>	<u>143,387,052</u>	<u>152,334,565</u>	<u>156,060,047</u>	<u>162,592,735</u>	<u>162,861,026</u>
76,748,293	76,540,528	84,591,594	79,528,485	84,217,350	85,842,791
43,793,380	45,770,832	47,986,601	47,599,805	47,813,441	48,117,608
2,592,545	3,922,118	3,431,473	2,816,455	3,071,772	2,718,349
-	-	-	-	-	12,472
1,682,553	1,661,096	1,814,997	1,779,548	1,923,116	1,890,367
2,901,153	2,960,514	3,057,353	3,019,126	3,096,403	3,258,613
8,110,000	8,475,000	10,740,000	11,885,000	9,730,000	10,165,000
5,611,200	4,304,848	5,087,496	5,943,398	7,855,105	7,728,238
1,988	128,185	280,182	725	134,002	21,814
4,690,229	2,380,305	7,719,792	23,360,462	47,863,395	29,751,899
2,847,316	2,916,037	2,847,952	2,932,826	-	-
<u>148,978,657</u>	<u>149,059,463</u>	<u>167,557,440</u>	<u>178,865,830</u>	<u>205,704,584</u>	<u>189,507,151</u>
(8,433,137)	(5,672,411)	(15,222,875)	(22,805,783)	(43,111,849)	(26,646,125)
-	13,375,000	98,870,000	56,610,152	6,045,190	127,361
-	-	6,014,422	-	-	-
285,779	8,699,330	222,236	-	61,668	-
1,787,946	3,223,646	1,586,914	2,122,512	2,252,322	2,176,754
(1,787,946)	(3,223,646)	(1,586,914)	(2,122,512)	(2,252,322)	(2,176,754)
-	(12,940,000)	(39,495,000)	-	(6,511,310)	-
-	-	(2,342,175)	30,177	-	-
<u>285,779</u>	<u>9,134,330</u>	<u>63,269,483</u>	<u>56,640,329</u>	<u>(404,452)</u>	<u>127,361</u>
(8,147,358)	3,461,919	48,046,608	33,834,546	(43,516,301)	(26,518,764)
47,628,043	39,480,685	42,942,604	90,989,212	124,823,758	81,307,457
<u>\$ 39,480,685</u>	<u>\$ 42,942,604</u>	<u>\$ 90,989,212</u>	<u>\$ 124,823,758</u>	<u>\$ 81,307,457</u>	<u>\$ 54,788,693</u>
10.74%	9.86%	11.43%	13.23%	12.65%	12.63%

Troy School District

Taxable Value by Property Type						
Tax Year	Real Property			Agricultural and Other	Personal Property	Total Value
	Residential	Commercial	Industrial			
1998	\$ 1,600,337,199	\$ 838,249,690	\$ 276,902,320	\$ -	\$ 504,755,690	\$ 3,220,244,899
1999	1,672,168,533	880,688,353	278,326,244	-	542,464,363	3,373,647,493
2000	1,756,307,450	974,731,550	287,395,150	-	520,650,890	3,539,085,040
2001	1,862,572,590	1,091,856,660	310,710,930	-	525,455,040	3,790,595,220
2002	1,972,340,290	1,112,229,080	332,879,420	-	498,854,208	3,916,302,998
2003	2,049,453,131	1,152,900,440	327,066,420	-	468,176,960	3,997,596,951
2004	2,158,772,810	1,147,811,590	347,707,990	-	426,948,096	4,081,240,486
2005	2,277,076,230	1,178,957,390	350,683,300	-	403,225,480	4,209,942,400
2006	2,427,726,198	1,187,083,160	351,979,910	-	384,167,410	4,350,956,678
2007	2,519,246,587	1,195,877,610	357,618,240	451,030	375,547,560	4,448,741,027

Note: Under Michigan law, the revenue base is taxable value.

Taxes levied in a particular "tax year" become revenue of the subsequent fiscal year.

Source: City of Troy, Assessing Department

Assessed Value and Actual Value of Taxable Property

Tax Rate (Mills)	Estimated Actual Value	Taxable Value as a Percentage of Actual
21.6200	\$ 6,440,489,798	50.00
21.6101	6,747,294,986	50.00
21.3155	7,078,170,080	50.00
21.1400	7,581,190,440	50.00
21.1400	7,832,605,996	50.00
21.1400	7,995,193,902	50.00
22.1300	8,162,568,632	50.00
22.1300	8,419,884,800	50.00
22.1300	8,701,913,356	50.00
22.1300	8,897,482,054	50.00

Troy School District

Millage Rates - Direct School District Taxes							
Tax Year	Year Ended June 30	Operating		Debt*	Sinking Fund*	Total Direct Taxes	
		Homestead	Non-homestead			Homestead	Non-homestead
1998	1999	8.0895	18.0000	3.6200	-	11.7095	21.6200
1999	2000	7.7517	18.0000	3.6101	-	11.3618	21.6101
2000	2001	7.3876	18.0000	3.3155	-	10.7031	21.3155
2001	2002	6.9237	18.0000	3.1400	-	10.0637	21.1400
2002	2003	6.5969	18.0000	3.1400	-	9.7369	21.1400
2003	2004	6.2943	18.0000	3.1400	-	9.4343	21.1400
2004	2005	6.0265	18.0000	4.1300	-	10.1565	22.1300
2005	2006	5.7387	18.0000	4.1300	-	9.8687	22.1300
2006	2007	5.3740	18.0000	4.1300	-	9.5040	22.1300
2007	2008	5.2856	18.0000	4.1300	-	9.4156	22.1300

* Debt fund millages apply to homestead and nonhomestead property

** Suburban Mobility Authority Regional Transportation

Source: Municipal Advisory Council of Michigan and City of Troy

Direct and Overlapping Property Tax Rates Years Ending June 30

Overlapping Taxes					
County	Community College	Intermediate School District	State Education	City of Troy	SMART**
4.8180	1.6522	2.1294	6.0000	9.8100	-
4.6564	1.6456	2.1208	6.0000	9.8100	-
4.6522	1.6295	2.0998	6.0000	9.4800	0.3270
4.6478	1.6109	2.0752	6.0000	9.4800	0.3236
4.6523	1.6090	3.4224	6.0000	9.4500	0.6000
4.6497	1.5983	3.3991	5.0000	9.4500	0.5974
4.4322	1.5889	3.3789	6.0000	9.4500	0.5962
4.6461	1.5844	3.3690	6.0000	9.4500	0.5950
4.6461	1.5844	3.3690	6.0000	9.4300	0.5900
4.6461	1.5844	3.3690	6.0000	9.2800	0.5900

Troy School District

Taxpayer	2007 Taxable Value	Percentage of Total	2006 Taxable Value	Percentage of Total
1 Frankel Forbes Cohen Associates	\$ 66,908,700	1.50	\$ 64,549,870	1.48
2 Liberty Property LTD PTN	42,822,850	0.96	44,522,510	1.02
3 Nykel Management Co.	40,726,630	0.92	40,726,630	0.94
4 888 W Big Beaver Assoc LLC	33,826,600	0.76	*	-
5 Osprey-Troy OfficeCentre, LLC	32,578,810	0.73	*	-
6 Kelly Services & Properties	31,360,640	0.70	32,632,130	0.75
7 Detroit Edison	27,387,010	0.62	27,165,500	0.62
8 Nemer Troy Place Realty LLC	26,513,910	0.60	25,719,770	0.59
9 LaSalle Bank	25,355,170	0.57	27,965,270	0.64
10 Sheffield Office II LLC	24,011,340	0.54	24,014,210	0.55
All others	<u>4,097,249,367</u>	92.10	<u>4,063,660,788</u>	93.40
Total	<u>\$4,448,741,027</u>		<u>\$4,350,956,678</u>	

Source: Oakland County

Note: Taxable values do not reflect adjustments from Board of Review appeals and Michigan Tax Tribunal decisions. The December 31, 2005 valuations, used for the 2006 tax year levy, are the basis of the School District's 2007 fiscal year tax revenue.

* Data not available

Principal Property Taxpayers Last Ten Years

2005 Taxable Value	Percentage of Total	2004 Taxable Value	Percentage of Total	2003 Taxable Value	Percentage of Total	2002 Taxable Value	Percentage of Total
\$ 62,372,530	1.49	\$ 61,057,410	1.50	\$ 59,713,100	1.50	\$ 58,814,340	1.51
43,507,780	1.04	42,599,790	1.04	43,191,650	1.09	46,208,450	1.19
56,361,080	1.35	55,107,070	1.35	54,827,230	1.38	53,855,480	1.38
*	-	*	-	*	-	*	-
*	-	*	-	*	-	*	-
33,786,950	0.81	34,097,390	0.84	21,853,030	0.55	*	-
33,882,660	0.81	39,840,040	0.98	41,450,850	1.04	41,429,220	1.06
25,205,320	0.60	25,106,540	0.62	24,542,100	0.62	24,179,430	0.62
27,759,750	0.66	27,138,580	0.66	25,550,320	0.64	25,550,320	0.66
*	-	*	-	*	-	*	-
<u>3,899,018,580</u>	93.24	<u>3,796,293,666</u>	93.02	<u>3,700,210,331</u>	93.17	<u>3,640,386,428</u>	93.57
<u>\$4,181,894,650</u>		<u>\$ 4,081,240,486</u>		<u>\$ 3,971,338,611</u>		<u>\$ 3,890,423,668</u>	

Troy School District

Taxpayer	2001 Taxable Value	Percentage of Total	2000 Taxable Value	Percentage of Total
1 Frankel Forbes Cohen Associates	\$ 18,596,530	0.49	\$ 58,776,560	1.66
2 Liberty Property LTD PTN	39,720,320	1.05	46,100,650	1.30
3 Nykel Management Co.	52,240,590	1.38	53,855,480	1.52
4 888 W Big Beaver Assoc LLC	*	-	*	-
5 Osprey-Troy OfficeCentre, LLC	*	-	*	-
6 Kelly Services & Properties	*	-	*	-
7 Detroit Edison	35,917,830	0.95	35,920,150	1.01
8 Nemer Troy Place Realty LLC	23,644,150	0.62	24,400,740	0.69
9 LaSalle Bank	26,460,230	0.70	26,501,380	0.75
10 Sheffield Office II LLC	*	-	*	-
All others	3,594,015,570	94.81	3,293,530,080	93.06
Total	<u>\$ 3,790,595,220</u>		<u>\$ 3,539,085,040</u>	

Source: Oakland County

* Data not available

Principal Property Taxpayers (Continued)
Last Ten Years

1999 Taxable Value	Percentage of Total	1998 Taxable Value	Percentage of Total
\$ 55,436,550	1.64	\$ 86,410,690	2.68
43,114,960	1.28	27,827,470	0.86
50,675,750	1.50	48,265,323	1.50
*	-	*	-
*	-	*	-
*	-	22,648,290	0.70
43,333,620	1.28	36,220,070	1.12
*	-	*	-
26,406,860	0.78	25,500,390	0.79
*	-	*	-
3,154,679,753	93.51	2,973,372,666	92.33
<u>\$ 3,373,647,493</u>		<u>\$ 3,220,244,899</u>	

Troy School District

Property Tax Levies and Collections Last 10 Years

Tax Year	Year Ended June 30	Total Levy	Current Collections	Percent Collected	Delinquent Collections	Total Tax Collections	Levy Collected
1998	1999	\$ 54,134,990	\$ 53,890,396	99.55	\$ 164,404	\$ 54,054,800	99.85
1999	2000	56,333,764	55,804,070	99.06	137,735	55,941,805	99.30
2000	2001	57,178,094	56,494,058	98.80	212,605	56,706,663	99.18
2001	2002	59,193,467	58,328,985	98.54	123,866	58,452,851	98.75
2002	2003	61,002,834	59,833,312	98.08	173,244	60,006,556	98.37
2003	2004	60,793,929	60,254,035	99.11	150,190	60,404,225	99.36
2004	2005	65,590,790	65,087,435	99.23	1,080,842	66,168,277	100.88
2005	2006	66,108,260	65,974,622	99.80	488,332	66,462,954	100.54
2006	2007	66,689,831	66,485,173	99.69	281,787	66,766,960	100.12
2007	2008	68,065,212	67,883,013	99.73	182,199	68,065,212	100.00

Source: Troy School District

Troy School District

Ten-year Summary of Taxable Assessed Value, State and Local Share of Revenue Sources, Foundation Allowance, and Retirement Rate History

	Taxable Assessed Value*	Share of Revenue		Foundation Allowance	Executive Order	Retirement Rate (Percent)
		State (Percent)	Local (Percent)		Reduction per Pupil	
1998-1999	\$ 3,220,244,899	51.49	40.10	\$ 7,996.18	\$ -	10.77
1999-2000	3,373,647,493	51.96	41.42	8,234.00	-	11.66
2000-2001	3,539,085,040	50.08	39.45	8,535.00	-	12.16
2001-2002	3,790,595,220	48.34	38.82	8,835.00	-	12.17
2002-2003	3,916,302,998	49.08	39.68	9,035.00	(50.00)	12.99
2003-2004	3,997,596,951	45.25	36.18	9,035.00	(74.00)	12.99
2004-2005	4,081,240,486	46.94	38.14	9,035.00	-	14.87
2005-2006	4,209,942,400	46.48	37.42	9,209.18	-	16.34
2006-2007	4,350,956,678	47.71	36.06	9,419.18	-	17.74
2007-2008	4,448,741,027	49.78	34.79	9,467.18	-	16.72

* City of Troy, Assessing Department

Troy School District

Fiscal Year	General Obligation Bonds	Less Pledged Debt Service Funds	Net General Bonded Debt	Other General Obligation Debt	Total General Obligation Debt
1999	\$ 118,735,000	\$ -	\$ 118,735,000	\$ -	\$ 118,735,000
2000	111,475,000	-	111,475,000	-	111,475,000
2001	104,410,000	-	104,410,000	-	104,410,000
2002	96,645,000	-	96,645,000	-	96,645,000
2003	88,535,000	-	88,535,000	-	88,535,000
2004	80,495,000	-	80,495,000	-	80,495,000
2005	129,130,000	-	129,130,000	-	129,130,000
2006	170,790,000	-	170,790,000	-	170,790,000
2007	160,660,000	-	160,660,000	-	160,660,000
2008	150,495,000	-	150,495,000	-	150,495,000

Population information obtained from City of Troy, Department of Planning

Source: Troy School District and City of Troy, Department of Planning

Ratios of General Bonded Debt Outstanding Last Ten Years

Taxable Value	Net General Bonded Debt as a Percentage of Taxable Value	Total Debt as a Percentage of Taxable Value	Population	Net General Bonded Debt per Capita	Total Debt per Capita
\$ 3,220,244,899	4	4	84,105	\$ 1,412	\$ 1,412
3,373,647,783	3	3	84,825	1,314	1,314
3,539,085,040	3	3	85,821	1,217	1,217
3,790,595,220	3	3	84,345	1,146	1,146
3,916,302,998	2	2	84,841	1,044	1,044
3,997,596,951	2	2	85,556	941	941
4,081,284,316	3	3	86,408	1,494	1,494
4,209,942,400	4	4	87,159	1,960	1,960
4,350,956,678	4	4	87,594	1,834	1,834
4,448,741,027	3	3	87,954	1,711	1,711

Troy School District

Direct and Overlapping Governmental Activities Debt June 30, 2008

Governmental Unit	Debt Outstanding	Estimated Percent Applicable	Estimated Share of Overlapping Debt
City of Troy	\$ 44,828,647	80.15%	\$ 35,930,161
Oakland County at Large	109,962,280	6.87%	7,554,409
Oakland Intermediate School District	53,730,000	6.89%	3,701,997
Oakland Community College	7,965,000	6.91%	550,382
Total overlapping debt			47,736,948
Direct district debt - Net			148,760,043
Total direct and overlapping debt			<u>\$ 196,496,991</u>

Source: Municipal Advisory Council of Michigan

Troy School District

	1999	2000	2001	2002
Calculation of debt limit:				
Taxable value	\$ 3,190,628,369	\$ 3,342,102,803	\$ 3,506,037,730	\$ 3,750,278,520
15% of taxable value	478,594,255	501,315,420	525,905,660	562,541,778
Calculation of debt subject to limit:				
Total debt	118,735,000	111,475,000	104,410,000	96,645,000
Less debt not subject to limit - State qualified debt issuance	-	-	-	-
Net debt subject to limit	118,735,000	111,475,000	104,410,000	96,645,000
Legal debt margin	<u>\$ 359,859,255</u>	<u>\$ 389,840,420</u>	<u>\$ 421,495,660</u>	<u>\$ 465,896,778</u>
Net debt subject to limit as % of debt limit	24.81%	22.24%	19.85%	17.18%

Source: Troy School District and City of Troy, Department of Planning

**Legal Debt Margin
Last Ten Years**

2003	2004	2005	2006	2007	2008
\$ 3,870,991,178	\$ 3,950,543,221	\$ 4,032,417,766	\$ 4,157,889,090	\$ 4,297,663,468	\$ 4,448,741,027
580,648,677	592,581,483	604,862,665	623,683,364	644,649,520	667,311,154
88,535,000	80,495,000	129,130,000	170,790,000	160,660,000	150,495,000
-	-	-	-	-	-
88,535,000	80,495,000	129,130,000	170,790,000	160,660,000	150,495,000
<u>\$ 492,113,677</u>	<u>\$ 512,086,483</u>	<u>\$ 475,732,665</u>	<u>\$ 452,893,364</u>	<u>\$ 483,989,520</u>	<u>\$ 516,816,154</u>
15.25%	13.58%	21.35%	27.38%	24.92%	22.55%

Troy School District

Demographic and Economic Statistics Years Ended June 30

Fiscal Year	Population	Ratio of Total			
		Total Personal Income (in thousands)	Debt to Personal Income	Per Capita Personal Income	Unemployment Rate
1999	84,102	\$ 1,865,405	6.365%	\$ 22,180	1.80
2000	84,825	2,157,845	5.166%	25,439	1.70
2001	85,821	2,463,093	4.239%	28,700	2.50
2002	84,345	2,427,175	3.982%	28,777	3.80
2003	84,841	2,302,880	3.845%	27,143	4.50
2004	85,556	2,378,525	3.384%	27,801	4.80
2005	86,408	2,434,002	5.305%	28,169	4.90
2006	87,159	2,572,590	6.639%	29,516	4.90
2007	87,594	2,728,126	5.889%	31,145	5.00
2008	87,954	not available	-	-	5.40

Source: State of Michigan

Troy School District

Principal Employers Last Ten Years Years Ended June 30

Taxpayer	2007 Employees	Percentage of Total Employment	1999 Employees	Percentage of Total Employment
Flagstar Bank FSB	4,009	10.02%	-	- %
Beaumont Hospital	3,943	9.85%	2,400	5.33%
Delphi	2,000	5.00%	6,188	13.74%
Troy School District	1,954	4.88%	1,175	2.61%
U.S. Post Office	1,629	4.07%	-	- %
BBDO Detroit	1,600	4.00%	-	- %
Kelly Services	1,400	3.50%	1,470	3.27%
City of Troy	1,349	3.37%	-	- %
Entech Personnel	1,233	3.08%	1,450	3.22%
Bank of America	1,170	2.92%	1,260	2.80%
Kmart Corp.	-	- %	1,060	2.35%
Meritor Automotive	-	- %	850	1.89%
GMC - Delco	-	- %	990	2.20%
Saturn Corp.	-	- %	770	1.71%
Total principal employers	<u>20,287</u>		<u>17,613</u>	
Total employment	<u>40,012</u>		<u>45,022</u>	

Source: Oakland County

Note: Taxable values do not reflect adjustments from Board of Review appeals and Michigan Tax Tribunal decisions. The December 31, 2005 valuations, used for the 2006 tax year levy, are the basis of the School District's 2007 fiscal year tax revenue.

Note: All years are not readily available. 1999 is the earliest available data.

Troy School District

Full-time Equivalent School District Employees Last Ten Years Years Ended June 30

Function/Program	2006	2007	2008
General government:			
Instruction	779	794	790
Support services	500	471	467
Community service	60	52	47
Food service	<u>45</u>	<u>44</u>	<u>50</u>
 Total	 <u><u>1,384</u></u>	 <u><u>1,361</u></u>	 <u><u>1,354</u></u>

Source: Troy School District, as reported to the State of Michigan Registry of Educational Personnel.

Note: Prior to 2006 data not collected in this format.

Troy School District

Operating Indicators Last Ten Years Years Ended June 30

Year	Enrollment	Operating Expenditures	Cost per Pupil	Operating Revenues	Revenue per Pupil	Total Teaching Staff	Percentage of Students Qualifying for Free/Reduced Meals	Average Teacher Salary
1999	12,066	\$ 101,672,674	\$ 8,426.38	\$ 105,563,318	\$ 8,748.82	730	3.05	\$ 66,991
2000	12,087	107,036,910	8,855.54	106,588,576	8,818.45	755	3.25	68,482
2001	12,076	109,798,915	9,092.32	115,109,451	9,532.08	765	2.63	66,803
2002	12,083	114,607,235	9,485.00	122,473,180	10,135.99	765	2.58	69,594
2003	12,049	120,236,424	9,978.95	122,641,994	10,178.60	773	2.99	69,721
2004	12,059	123,375,990	10,231.03	124,788,691	10,348.18	768	3.58	70,249
2005	12,050	133,879,704	11,110.35	127,954,231	10,618.61	767	3.89	75,092
2006	12,022	131,169,844	10,910.82	130,225,352	10,832.25	761	4.34	73,499
2007	12,096	133,270,824	11,017.76	135,447,996	11,197.75	763	5.42	75,417
2008	12,174	136,505,061	11,212.84	136,284,634	11,194.73	774	5.22	76,302

Source: Troy School District and Michigan Department of Education Bulletin 1014

Troy School District

Function/Program	1999	2000	2001	2002
Instructional buildings:				
Elementary:				
Number of buildings	12	12	12	12
Square footage	653,967	653,967	653,967	653,967
Capacity	6,400	6,400	6,400	6,400
Enrollment	5,251	5,249	5,196	5,103
Middle:				
Number of buildings	4	4	4	4
Square footage	397,579	397,579	397,579	397,579
Capacity	3,000	3,000	3,000	3,000
Enrollment	2,910	2,877	2,894	2,974
High:				
Number of buildings	3	3	3	3
Square footage	621,625	655,247	655,247	655,247
Capacity	3,896	3,896	3,896	3,896
Enrollment	3,962	4,023	4,011	4,072
Administrative:				
Number of buildings	2	2	2	2
Square footage	44,500	44,500	46,000	46,000
Transportation/Maintenance:				
Number of buildings	2	2	2	2
Buses	67	66	73	76

Source: Troy School District

**Capital Asset Information
Last Ten Years
Years Ended June 30**

2003	2004	2005	2006	2007	2008
12	12	12	12	12	12
653,967	653,967	653,967	653,967	688,967	717,462
6,400	6,400	6,400	6,400	6,400	6,400
5,077	5,048	5,133	5,062	5,105	5,191
4	4	4	4	4	4
397,579	397,579	397,579	397,579	397,579	450,492
3,000	3,000	3,000	3,000	3,000	2,885
3,017	2,995	2,862	2,785	2,739	2,804
3	3	3	3	3	4
655,247	655,247	655,247	655,247	660,252	851,426
3,896	3,896	3,896	3,896	3,896	4,596
4,006	4,009	4,092	4,158	4,285	4,128
2	2	2	2	2	2
46,000	46,000	46,000	46,000	46,000	41,143
2	2	2	2	2	2
75	78	80	86	86	88

**Troy School District
School Meals Program
Claim Overview
October 2008**

School Meals Program Claims System

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[User Management](#) | [Help](#)

CLAIM OVERVIEW

Sponsor: 63150 TROY SCHOOL DISTRICT

Fiscal Year: 2009 (October 1, 2008 - September 30, 2009)

Claim Month: October

Claim Totals

Last Certified On: Nov 20 2008 11:02AM

Certified By: josie petitta(A1008728)

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Number Of School(s)	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	86920	71466	12520	2934	18	752	196	11443

Important Notice

October Claim: For the month of October, make sure that you have entered the following totals correctly according to the number of approved eligible students you had on file as of the last day of operation in October:

- Total number of students eligible for free meals
- Total number of students eligible for reduced price meals
- Total number of students enrolled in the school food authority

These numbers cannot be adjusted after December 30th which is the final deadline for submission of the October claim. At no time can the number of eligibles be changed for any student that was not enrolled and approved for benefits as of the last day of operation in October.

Documentation of all free and reduced price eligible students must be kept on file for three years in addition to the current year.

Site Selection

Site:

ATHENS HIGH SCHOOL (631506393)

ATHENS HIGH SCHOOL (631506393)

Last Edit On: Dec 12 2008 1:04PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	7050	5048	1755	247	21	107	20	1766

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BAKER MIDDLE SCHOOL (631500174)

Last Edit On: Dec 12 2008 1:04PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	6631	4965	1229	437	21	79	26	753
<input type="button" value="Enter/Edit Site Data"/>								

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BARNARD ELEMENTARY SCHOOL (631506941)

Last Edit On: Dec 12 2008 1:04PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	4010	3136	725	149	21	38	11	460
<input type="button" value="Enter/Edit Site Data"/>								

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BEMIS ELEMENTARY SCHOOL (631506940)

Last Edit On: Feb 5 2009 11:34AM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	4747	4371	278	98	21	14	6	470
<input type="button" value="Enter/Edit Site Data"/>								

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BOULAN PARK MIDDLE SCHOOL (631506367)

Last Edit On: Dec 12 2008 1:04PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	6851	6204	417	230	21	23	16	750
<input type="button" value="Enter/Edit Site Data"/>								

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COSTELLO ELEMENTARY SCHOOL (631506364)

Last Edit On: Dec 12 2008 1:04PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	3298	2938	346	14	21	21	2	323
<input type="button" value="Enter/Edit Site Data"/>								

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HAMILTON ELEMENTARY SCHOOL (631503715)

Last Edit On: Dec 12 2008 1:04PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	4048	3605	348	95	21	19	6	380
Enter/Edit Site Data								

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HILL ELEMENTARY SCHOOL (631505163)

Last Edit On: Dec 12 2008 1:04PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	2700	2292	356	52	21	24	3	310
Enter/Edit Site Data								

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LARSON MIDDLE SCHOOL (631506366)

Last Edit On: Dec 12 2008 1:05PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	5944	5172	649	123	21	38	9	713
Enter/Edit Site Data								

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LEONARD ELEMENTARY SCHOOL (631502161)

Last Edit On: Dec 12 2008 1:05PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	3985	3595	360	30	21	19	4	446
Enter/Edit Site Data								

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MARTELL ELEMENTARY SCHOOL (631506365)

Last Edit On: Dec 12 2008 1:05PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	3367	3071	175	121	21	11	8	340
Enter/Edit Site Data								

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MORSE ELEMENTARY SCHOOL (631502618)

Last Edit On: Feb 5 2009 11:35AM

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Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	4600	3012	1359	229	21	69	12	385
Enter/Edit Site Data								

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SCHROEDER ELEMENTARY SCHOOL (631506124)

Last Edit On: Dec 12 2008 1:05PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	3829	3712	99	18	21	8	1	449
Enter/Edit Site Data								

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SMITH MIDDLE SCHOOL (631505413)

Last Edit On: Dec 12 2008 1:05PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	5333	4182	913	238	21	51	14	690
Enter/Edit Site Data								

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TROY HIGH SCHOOL (631504226)

Last Edit On: Dec 12 2008 1:05PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	8500	7160	1166	174	21	98	17	2001
Enter/Edit Site Data								

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TROY UNION ELEMENTARY SCHOOL (631504227)

Last Edit On: Dec 12 2008 1:06PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	5043	3754	867	422	21	51	23	459
Enter/Edit Site Data								

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WASS ELEMENTARY SCHOOL (631506939)

Last Edit On: Dec 12 2008 1:06PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
							Reduced	

						Free	Price	
Lunch	3188	2433	619	136	21	34	10	379
Enter/Edit Site Data								

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WATTLES ELEMENTARY SCHOOL (631505537)

Last Edit On: Dec 12 2008 1:06PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	3796	2816	859	121	21	48	8	369
Enter/Edit Site Data								

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**Troy School District
School Meals Program
Claim Overview
February 2009**

School Meals Program Claims System

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CLAIM OVERVIEW

Sponsor: 63150 TROY SCHOOL DISTRICT

Fiscal Year: 2009 (October 1, 2008 - September 30, 2009)

 Claim Month: February

Claim Totals

Last Certified On: Not Certified

Certified By: (Not Certified)

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Number Of School(s)	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	57037	45710	8952	2375	18	825	217	11443

Site Selection

Site:

ATHENS HIGH SCHOOL (631506393)

ATHENS HIGH SCHOOL (631506393)

Last Edit On: Mar 20 2009 10:39AM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	4542	3229	1076	237	15	117	30	1766
<input type="button" value="Enter/Edit Site Data"/>								

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BAKER MIDDLE SCHOOL (631500174)

Last Edit On: Mar 20 2009 10:41AM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	4470	3123	1023	324	15	94	24	753
<input type="button" value="Enter/Edit Site Data"/>								

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BARNARD ELEMENTARY SCHOOL (631506941)

Last Edit On: Mar 20 2009 10:42AM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
							Reduced	

						Free	Price	
Lunch	2745	2069	549	127	15	41	11	460
Enter/Edit Site Data								

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BEMIS ELEMENTARY SCHOOL (631506940)

Last Edit On: Mar 20 2009 10:42AM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	3196	2924	228	44	15	18	4	470
Enter/Edit Site Data								

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BOULAN PARK MIDDLE SCHOOL (631506367)

Last Edit On: Mar 20 2009 10:42AM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	4041	3655	234	152	15	27	14	750
Enter/Edit Site Data								

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COSTELLO ELEMENTARY SCHOOL (631506364)

Last Edit On: Mar 20 2009 10:43AM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	2137	1864	208	65	15	17	6	323
Enter/Edit Site Data								

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HAMILTON ELEMENTARY SCHOOL (631503715)

Last Edit On: Mar 20 2009 10:44AM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	2529	2213	231	85	15	19	6	380
Enter/Edit Site Data								

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HILL ELEMENTARY SCHOOL (631505163)

Last Edit On: Mar 20 2009 10:44AM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	1767	1440	285	42	15	28	3	310

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LARSON MIDDLE SCHOOL (631506366)

Last Edit On: Mar 20 2009 10:45AM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	3632	3086	390	156	15	36	13	713
Enter/Edit Site Data								

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LEONARD ELEMENTARY SCHOOL (631502161)

Last Edit On: Mar 20 2009 10:45AM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	2717	2439	251	27	15	20	5	446
Enter/Edit Site Data								

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MARTELL ELEMENTARY SCHOOL (631506365)

Last Edit On: Mar 20 2009 10:46AM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	2121	1873	164	84	15	14	8	340
Enter/Edit Site Data								

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MORSE ELEMENTARY SCHOOL (631502618)

Last Edit On: Mar 20 2009 10:46AM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	2957	1956	848	153	15	69	12	385
Enter/Edit Site Data								

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SCHROEDER ELEMENTARY SCHOOL (631506124)

Last Edit On: Mar 20 2009 10:47AM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	2643	2543	87	13	15	11	1	449
Enter/Edit Site Data								

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SMITH MIDDLE SCHOOL (631505413)

Last Edit On: Mar 20 2009 10:47AM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	3301	2539	584	178	15	56	15	690
Enter/Edit Site Data								

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TROY HIGH SCHOOL (631504226)

Last Edit On: Mar 20 2009 10:48AM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	5942	4720	1058	164	15	112	19	2001
Enter/Edit Site Data								

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TROY UNION ELEMENTARY SCHOOL (631504227)

Last Edit On: Mar 20 2009 10:48AM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	3338	2445	583	310	15	54	25	459
Enter/Edit Site Data								

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WASS ELEMENTARY SCHOOL (631506939)

Last Edit On: Mar 20 2009 10:48AM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	2158	1695	370	93	15	32	10	379
Enter/Edit Site Data								

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WATTLES ELEMENTARY SCHOOL (631505537)

Last Edit On: Mar 20 2009 10:49AM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	2801	1897	783	121	15	60	11	369
Enter/Edit Site Data								

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School Meals Program Claims System[Main Menu](#) | [Claim Overview](#) | [Logout](#) | [User Management](#) | [Help](#)**Certification**Sponsor: 63150 TROY SCHOOL
DISTRICTFiscal Year: 2009 (October 1, 2008 - September 30,
2009)

Claim Month: February

Sponsor Totals

The following totals are an automatic accumulation of all site data entered. Please verify that your totals are correct, then click the "Yes" button on the bottom of this page. If Incorrect, return to Site data entry screens and enter correct data.

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Number Of School(s)	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	57037	45710	8952	2375	18	825	217	11443

I certify that this claim is true and correct, that records are available to support it, and that it is in accordance with the terms of the existing agreement. I am aware that deliberate misrepresentation or withholding of information may result in prosecution under applicable state and federal statutes.

**Troy School District
School Meals Program
Year End Report
2007-08**

School Meals Program Year End Report

User: Gayle Moran

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Revenue And Balance Sheet

Sponsor: 63150 Type: Regular

School Year: 2008(July 1, 2007 - June 30, 2008)

Name: TROY SCHOOL DISTRICT (63150)

Due Date: July 31, 2008

1. BEGINNING BALANCE (ending balance from last year's audit report)		\$ 1052803
2. School Meals Program Revenue (student payments for Meals/Milk)	\$ 1432774	A la Carte Total Cost Allocation (From Cost Allocation Sheet, Cell H10) 1319939
3. A la Carte Revenue	\$ 1149094	
4. Catering Revenue	\$ 104110	104205 Catering Total Cost Allocation (From Cost Allocation Sheet, Cell I10)
5. Federal Revenue (reimbursement)	\$ 349417	
6. State Revenue		Describe revenue reported on line 8(Miscellaneous Revenue): Vending = 55,335 Head Start Program = 18,791 Cash in Lieu of Commodities = 125,323 Interest = 46,389 Sale of Fixed Assets = 90
31d School Lunch: 2008 Lunch Payment	\$ 108951	
2007 Prior Year Adjustment (+ or -)	\$ -4513	
31f School Breakfast:		
2007 Breakfast Payment	\$ 0	
7. Fund Modifications (+ or -)	\$ 0	
8. Miscellaneous Revenue	\$ 245928	
9. Total Revenue (sum of lines 2 through 8)		\$ 3385761
10. Total Funds Available (line 1 plus line 9)		\$ 4438564
11. Expenses (from Cost Allocation sheet, cell A10)	\$ 3473523	
12. Capital Outlay	\$ 0	
13. Total Expenditures (line 11 plus line 12)		\$ 3473523
14. Ending Balance (line 10 minus line 13)		\$ 965041

School Meals Program Year End Report

User: Gayle Moran

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Cost Allocation Sheet

Sponsor: 63150 Type: Regular

School Year: 2008(July 1, 2007 - June 30, 2008)

Name: TROY SCHOOL DISTRICT (63150)

Due Date: July 31, 2008

Indirect Cost Rate: 13.5200

Total Cost			Cost Categories	Total Cost Allocation					
Paid From Food Service	Paid From Other Funds	Total Cost Columns (A+B)	Totals from Column C will be automatically allocated into Columns D - I	School Lunch Program	Special Milk Program	School Breakfast Program	Afterschool Snack Program	A la Carte	Catering & Other Functions
A	B	C		D	E	F	G	H	I
913692		913692	1. Salaries (Food Service Related)	539078				347203	27411
322281		322281	2. Employee Benefits	190146				122467	9668
102207		102207	3. Contract Services (Not Utilities)	60302				38839	3066
			4. Transportation Supplies						
251402		251402	5. Supplies and Other Materials	148327				95533	7542
1589582		1589582	6.SUBTOTAL	937853				604042	47687
214911		214911	7.Indirect Cost (Rate x Line 6)	126798				81666	6447
			8. Depreciation						
1669030		1669030	9. Food Cost	984728				634231	50071
3473523		3473523	10. Total Cost (Sum of Lines 6-9)	2049379				1319939	104205
11. Total Number of Reimbursable Meals Served for School Year 2007 / 2008				645926		0			
12. PER MEAL COST (Line 10 / Line 11)				3.17					

Click Save button after entering or amending report data * Save Continue Next Page

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School Meals Program Year End Report

User: Gayle Moran

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Cost Allocation Percentage Table

Sponsor: 63150 Type: Regular

School Year: 2008(July 1, 2007 - June 30, 2008)

Name: TROY SCHOOL DISTRICT (63150)

Due Date: July 31, 2008

Information

■ After completing this page, go to 'Main Page' to proceed to Cost Allocation Sheet.

Total Cost Allocation (Percentages Only)

Document percentage data in Columns D- I by cost category. Percentage data must equal 100% by Cost Category line not by column.

Percentage data in Columns D- I will be used to allocate cost from Column C into Columns D- I of the Cost Allocation Sheet		School Lunch Program	Special Milk Program	School Breakfast Program	Afterschool Snack Program	A la Carte	Catering & Other Functions
		D	E	F	G	H	I
1	Salaries (Food Service Related)	59	0	0	0	38	3
2	Employee Benefits	59	0	0	0	38	3
3	Contract Services (Not Utilities)	59	0	0	0	38	3
4	Transportation Supplies	0	0	0	0	0	0
5	Supplies and Other Materials	59	0	0	0	38	3
8	Depreciation	0	0	0	0	0	0
9	Food Cost	59	0	0	0	38	3

Click Save button after entering or amending report data

Save

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**Troy School District
Food Service Management Services
Request For Proposal # 9597
Pre-Bid Meeting
March 25, 2009**

A mandatory pre-bid meeting to review the terms and conditions contained within the Troy School District Request for Proposal #9597 – Food Service Management Services was held at 4400 Livernois, Troy, Michigan, 48098 at 1:00 pm, March 25, 2009. The following individuals were in attendance:

F. Lams-Troy School District	G. Moran-Troy School District
L. Hipp-Troy School District	B. Canfield-Troy School District
M. Adamczyk-Troy School District	B. Fowler-Troy School District
A. DeLeo-Troy School District	K. Davisson-Troy School District
M. Miller-Sodexo	M. Holle-Sodexo
M. Kyotts-Sodexo	N. Boykin-Sodexo
K. Thomas-Aramark	M. Abel-Aramark
K. Kalb-Aramark	L. Hinkel-Aramark
T. Schafer-Chartwells	A. Smith-Chartwells
J. Agrusa-Chartwells	S. Kline-Chartwells

Frank E. Lams, Purchasing Supervisor, opened the meeting with brief personnel introductions. Mr. Lams reiterated that outside of this pre-bid meeting, any communications regarding the RFP must be made in writing (fax, email, US Mail) to his attention. No reply would be made to verbal questions. Deadline for all written questions is 12:00 noon on Wednesday, April 1, 2009. Mr. Lams reminded those in attendance that responses to this RFP are due by 3:00 pm on April 15 at the Purchasing Department, 1140 Rankin, Troy, Michigan 48083 and NOT the location of the pre-bid meeting. The Purchasing Department is open from 7:30am-4:00pm to accept proposals. At the close of the meeting, all interested vendors are welcome to tour the kitchens at Athens High School, Larson Middle School and Barnard Elementary.

Mr. Lams stated that some questions were received prior to the pre-bid meeting. Therefore, answers to those questions are included on the CD containing the complete RFP. Attachments included on the CD include the following:

- June 30, 2008 Troy School District Financial Report
- June 30, 2008 Food Service Year End Report
- October 2008 Claims Reimbursement
- February 2009 Claims Reimbursement

Gayle Moran, Food Service Director, provided a brief overview of the current program beginning with Troy School District's threefold objective: Reduce food cost, reduce wages, and increase overall revenue.

Ms. Moran indicated that out of the 70 current food service employees, only 2% live outside of Troy.

The Troy School District currently has two contracts (SFS Smart Systems and Comalex Point of Sale) that are requested to be retained. Additional information relating to these contracts is provided below.

The School District has 19 operating kitchens, three of which are considered satellite kitchens (Athens High School, Boulan Park and Larson Middle Schools.). Each middle school services six elementary schools each.

All twelve elementary kitchens have one individual that is responsible for ordering, cooking, serving and cleaning up. A noon aide is responsible for the collection of monies. Smith and Baker Middle Schools have one manager, one cook and three workers at each location. Boulan Park and Larson Middle Schools have one manager, one cook and five workers at each of their respective locations. Athens and Troy High Schools have one manager, one cook and 11 workers at each location. At the middle and high schools, multiple POS stations collect monies; the manager does the deposit. There is one staff member at the International Academy East.

The Food Service Driver is responsible for picking up from Boulan Park **and** Larson every day and making the deliveries to the corresponding elementary schools. Deliveries consist of primarily perishable items.

The elementary schools receive bi-monthly deliveries of non-perishables directly from Gordon Food Service or VanEerden. One additional vendor of non-perishables is Clark; however, the dollar amount is small so those orders are delivered to either Boulan Park or Larson for distribution to their corresponding elementary schools.

The elementary schools have 2-3 menu choices per day; the middle and high schools provide reimbursable meals and a-la-carte items.

The Troy School District Food Service Program currently services approximately 75% of the students.

Mr. Lams opened the floor for additional questions.

Q. Would the awarded management company be responsible for taking over payments to Comalex for the Point of Sale system? Will the District provide cost information on this contract?

A. The School District requests that the awarded FSMC continue to utilize the Comalex System for POS services. For the 2008-09 school year, the School District paid Comalex \$11,255.36. This amount is based on enrollment and number of active meal applications (i.e. free and reduced students). Although the per student charges should remain constant, a minimal increase in fees is anticipated due to a projected increase in meal applications. The School District is currently charged \$0.66 for each meal application. This charge would be considered a direct reimbursable charge. FSMC's may propose an alternate POS system provided that the charges are specifically detailed in the proposal and the alternate POS system be specifically named.

Q. Would the awarded management company be responsible for taking over payments to SFS Smart Systems? Will the District provide cost information on this contract?

A. Yes. The School District has utilized SFS Smart Systems for dish chemicals and related sanitizing for the current and prior school years. Although the current contract expires June 30, 2009, The School District would prefer to retain the same service moving forward. The FSMC is therefore requested to contract with SFS for these services. The School District currently pays SFS Smart Systems \$3,603.84 per month.

FSMC's may propose an alternate sanitizing system provided that the charges are specifically detailed in the proposal and the alternate system be specifically named.

Q. Will the contract requirement be added to the RFP?

A. Yes. An addendum will be issued.

Q. What is the Committee process?

- A. *The Committee is comprised of the following: Gayle Moran, Food Service Director; Frank Lams, Purchasing Supervisor; Michael Adamczyk, Assistant Superintendent Business Services; Jasen Witt, Assistant Superintendent Human Resources; Kathy Davisson, Interim Assistant Superintendent Elementary Education and Brian Canfield, Principal Schroeder Elementary. Once the proposals are received, Committee will review and schedule interviews. The contractor should be prepared to make a presentation and answer pre-printed questions. Reference checks will be thoroughly conducted, including onsite visits. Upon completion of the reference checks, the Committee will present a review of respondents at a Board of Education Workshop scheduled in early May. The final decision will be made at the School Board Meeting on Tuesday, May 19, 2009. An award will be made only if the Board of Education sees an overall benefit to the School District while still maintaining the quality standards that are required.*

Q. How many copies of the proposal need to be submitted?

- A. *Ten (10) copies are required, one clearly marked original.*

Q. Will the noon aides be collecting the monies next year?

- A. *Proposers should include the cost for cash collection/accounting within the RFP response. This will be clarified within Addendum #1.*

Q. What is the current enrollment at the International Academy East?

- A. *The Academy has 130 9th grade students this year. For the 2009/10 school year 10th grade students will be added with an expected total building enrollment of 240. The projected enrollment for the start of the 2011/12 school year is 500 students as grades 9-12 are incorporated into the school.*

Q. What is the total enrollment of Troy School District?

- A. *There are 12,176 students currently enrolled.*

Q. Are current staff covered by a union? If so which one?

- A. *Yes. The food service employees are members of a local bargaining unit that is an affiliate of MEA.*

Q. Will the District provide a copy of the union contract?

- A. *Yes. Please note that other employee groups also belong to the same unit (i.e. transportation, custodial, etc.), therefore, any information in the contract not pertinent to the food service workers will be eliminated. Please see Attachment A to this document.*

Q. Is the \$19,727 listed on the revenue page tied to the Head Start Program?

A. *It **is** Head Start. The Headstart Program gets invoiced by the Food Service Department. Fees are negotiated yearly.*

Q. Is the catering income of \$46,000 listed for inside or outside catering?

A. *The majority of catering is internally within the District (less than 5% is external). Due to the economy, outside catering has declined. One staff member is currently assigned to the catering program. This staff member also does all the baking for the District.*

Q. Please explain Cash In Lieu of Commodities.

A. *The Cash In Lieu of Commodities (CLOC) program allows the School District to receive Federal money to offset the cost of qualifying food purchases. The government provides four (4) checks per year specifying dollar maximums for specific food items. The District spends 100% of its entitlement. A Velocity Report confirming qualified food purchases is completed to prove the School District has met its requirement for reimbursement. It is the School District's position to maintain 100% compliance with this program and to not allow the loss of funding provided. Please see Attachment B to this document.*

Q. Does CLOC offset food cost?

A. *Yes.*

Q. Is the District entitled to bonus commodities when available?

A. *Yes. The only cost incurred is shipping.*

Q. Does Troy School District have full day kindergarten?

A. *We currently have the traditional ½ day kindergarten program. In addition, we have a program called KinderPlus. The KinderPlus program is morning kindergarten with afternoon childcare.*

Q. What is the percentage of Free & Reduced Lunches?

A. *Free & Reduced participation has increased from 3% to approximately 7% as of October 2008. This percentage **will fluctuate** throughout the school year.*

Q. Does the District have a Wellness Policy?

A. *Yes. It is provided as Attachment C to this document.*

Q. What are the hourly rates for food service staff?

A. The hourly rates are included in the union contract which is also provided as an attachment to this document.

Q. Please explain the driver position.

A. There is currently one full-time driver. Two-thirds of his time is assigned to the food service program. During non-lunch or no school days, he is assigned to the warehouse.

Q. Does the driver position need to be included in proposal?

A. Yes.

Q. Is the driver available 8 hours per day?

A. Yes.

Q. Will the food truck be supplied to the contractor by the district?

A. The truck will be available for use.

Q. Does the food truck meet the District's needs?

A. Yes.

Q. If current employees get hired back by the contractor, do they need another background check?

A. After consultation with our legal counsel it appears that any current employee hired back by the Contractor would need to be re-fingerprinted and background checked.

Q. Does the union contract outline benefits?

A. Yes.

Q. How many employees receive benefits?

A. Out of the 70 employees, only 8 receive benefits: Six (6) managers, one (1) secretary and one (1) driver.

Q. Who is responsible for the Point of Sale system?

A. One part-time person (included in the 70 total employees) currently maintains the POS.

Q. Could you provide a schedule showing student lunch times and number of serving sessions per school?

A. That information is included as Attached D to this document.

Q. Do the high schools have an open or closed campus?

A. All schools maintain a closed campus.

Q. We would like to visit the remaining two high school and middle school locations next Wednesday April 1, 2009 if possible.

*A. The School District will conduct a tour of additional kitchen facilities on Wednesday, April 1, 2009 as follows:
9:00 am Troy High School, 4777 Northfield Parkway
Following **Troy High School**, the group will proceed to Smith Middle School and conclude at the International Academy East.*

Q. Finally, in reviewing the CD I was not able to find a School Meals Program Year End Report for the foodservice on the disc. Would it be possible to receive that report in an email so that we can begin to calculate our base year projections for the Troy School District Foodservice program?

*A. The Year-end report is included at the end of the file labeled "bid9597questions1.pdf" This information can also be obtained from our website at:
<http://www.troy.k12.mi.us/purchasing/Acrobat/2008-09/bid9597questions1.pdf> on page 108*

Q. Could you provide enrollment projections for the next few years?

A. Yes. Please see Attachment E to this document.

Q. Could you provide a list of employees that are within three (3) years of retirement eligibility?

A. The School District cannot provide specific names of employees; however, to the best of our knowledge, eight (8) employees would be retirement eligible (including reduced benefits) during the first year of the contract. Another nine (9) would be eligible to retire (including reduced benefits) within the next three years.

Q. Could you provide a copy of the November 2008 Program Claim?

A. November's claim data is included as Attachment F to this document.

ATTACHMENT A

**TROY EDUCATIONAL SUPPORT PERSONNEL
ASSOCIATION
COLLECTIVE BARGAINING AGREEMENT
SELECTED SECTIONS**

COLLECTIVE
BARGAINING
AGREEMENT

TROY BOARD OF EDUCATION

AND

TROY EDUCATIONAL SUPPORT
PERSONNEL ASSOCIATION/
MEA/NEA

July 1, 2006– June 30, 2008

TROY SCHOOL DISTRICT
4400 LIVERNOIS ROAD
TROY, MICHIGAN 48098

MASTER AGREEMENT
TROY SCHOOL DISTRICT
And
TROY EDUCATIONAL SUPPORT PERSONNEL
ASSOCIATION/MEA/NEA
2006-2008

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MASTER AGREEMENT BETWEEN TROY BOARD OF EDUCATION
AND
TROY EDUCATIONAL SUPPORT PERSONNEL ASSOCIATION/MEA/NEA

PREAMBLE

This agreement entered into by the Troy School District, hereinafter referred to as the Employer, and the Troy Educational Support Personnel Association/MEA/NEA, hereinafter referred to as the Union, has as its purpose the promotion of harmonious relations between the Employer and the Union; the establishment of an equitable and peaceful procedure for the resolution of differences; and the establishment of rates of pay, hours of work, and other conditions of employment.

ARTICLE I. Recognition

The Employer recognizes the Union as the sole and exclusive bargaining agent for the purpose of establishing salaries, wages, hours, and other conditions of employment for all of its nonsupervisory custodial, maintenance, transportation and Food Service employees, including middle and elementary school head custodians, all maintenance employees, head cooks, para-educators, campus security, but excluding all supervisors, noon aides, summer seasonal employees working less than sixty (60) days, substitutes, and part-time employees working less than twelve and one half (12.5) hours per week.

ARTICLE 2. Union Security and Dues Check Off

Section 1. Membership and Dues Deductions. The Association agrees to admit to full participating membership all bargaining unit employees who have completed their probationary period. Contracts shall be issued to paid members by the TESP/MEA/NEA President only at the conclusion of the probationary period. After becoming a member of the Association, a bargaining unit employee may annually authorize the Employer to deduct dues and/or initiation fees of the Association, including the Michigan Education Association and the National Education Association.

Any bargaining unit member, who is not a member of the Association in good standing or who does not make application for membership after the conclusion of their probationary period shall pay a Service Fee to the Association, pursuant to the Association's "Policy Regarding Objections to Political-Ideological Expenditures" and the Administrative Procedures adopted pursuant to that policy, provided however, that the bargaining unit member may authorize payroll deduction for such fee in the same manner as provided elsewhere in the Article. In the event that a bargaining unit member shall not pay such Service Fee directly to the Association or authorize payment through payroll deduction, as

herein provided, the Employer shall at the request of the Association, terminate the employment of such bargaining unit member. The parties expressly recognize that the failure of any bargaining unit member to comply with the provisions of this Article is just cause for termination from employment.

The Association, in all cases of termination for violation of this Article, shall notify the bargaining unit member of noncompliance by certified mail, return receipt requested. Said notice shall detail the noncompliance and shall provide ten (10) days for compliance, and shall further advise the recipient that a request for termination may be filed with the Employer in the event the compliance is not effected. If the bargaining unit member in question denies that she/he has failed to pay the Service Fee, then she/he may request, and shall receive, a hearing before the Employer limited to the question of whether she/he has failed to pay the Service Fee.

Any bargaining unit member who is a member of the Association, or who applied for membership may sign and deliver to the Employer as assignment authorizing deduction of dues, assessments and contributions in the Association as established by the Association. Such authorization shall continue in effect from year to year unless revoked according to the procedures outlined in the MEA Constitution, Bylaws and Administrative Procedures. Pursuant to such authorization, the Employer shall deduct one-tenth of such dues, assessments and contributions from the regular salary check of the bargaining unit member each month for ten (10) months, beginning in September and ending in June of each year.

Section 2. Other Organizations. The Employer agrees not to negotiate with any organization other than the Association for the duration of this Agreement. However, nothing contained herein shall be construed (1) to deny or restrict to any bargaining unit employee any rights he/she may have under the Michigan General School Laws or other applicable laws or State departmental regulations or (2) to prevent a Board Member or Administrator from meeting with any bargaining unit employee, groups of employees or organization other than the Association for the purpose of hearing and discussing their views on matters other than hours, wages and working conditions.

Section 3. In the event of any action against the Employer brought in a court or administrative agency because of its compliance with Article 2 (agency shop provision) of this Agreement:

- A. The Employer will give timely notice of such action to the TESP/MEA/NEA, and
- B. The Employer will give full and complete cooperation to the TESP/MEA/NEA and its counsel in securing and giving evidence, obtaining witnesses, and making relevant information available at both trial and appellate levels.
- C. The TESP/MEA/NEA agrees to provide and pay the full cost of TESP/MEA/NEA-selected legal counsel. The TESP/MEA/NEA retains the right to settle any action at any time.

ARTICLE 3. Management Rights and Responsibilities

Section 1. It is recognized that the government and management of the School District, the control and management of its properties and the maintenance of its functions and operations are reserved to the Employer and that all lawful prerogatives of the Employer shall remain and be solely the Employer's right and responsibility. Such rights and responsibilities belonging solely to the Employer are hereby recognized prominent among which but by no means wholly inclusive are: All rights involving public policy, the rights to decide the number and location of schools and other buildings, work to be performed within the unit, maintenance and repair, amount of supervision necessary, machinery and tool equipment, methods, schedules of work, together with the selection, procurement, designing, engineering and the control of equipment and materials, and the right to purchase services of others, contract or otherwise.

Section 2. It is further recognized that the responsibility of the Employer for the selection and direction of the working forces, including the right to hire, discipline or suspend or discharge for just cause, assign, promote or transfer, to determine the amount of overtime to be worked, to relieve employees from duty because of lack of work or for other legitimate reasons is vested exclusively in the Employer, subject only to the seniority rules, grievance procedure and other express provisions of this Agreement as herein set forth.

Section 3. The exercise of the foregoing powers, rights and authority of the Board, the adoption of policies, rules, regulations and practices in furtherance thereof, and the use of judgment and discretion in connection therewith shall be limited only by the specific and express terms of the Agreement, and then only to the extent such specific and express terms hereof are in conformance with the Constitution and laws of the State of Michigan and the Constitution and laws of the United States. Nothing contained herein shall be considered to deny or restrict the Board of its rights and authority under the Michigan general school laws or any other national, state, county, district or local laws or regulations as they pertain to education.

ARTICLE 4. Effect of Agreement

Section 1. The Employer and the Union mutually agree that this Agreement may be altered, changed, added to, deleted from, or modified only through the voluntary mutual consent of the Employer and the Union in an amendment hereto which shall be ratified and signed by both parties.

ARTICLE 5. Representation

Section 1. The names of all officers and Bargaining/Grievance Committee members in the bargaining unit shall be submitted in writing to the Employer by the Union upon election or appointment. The Employer will provide a chain of command chart yearly or as changes occur.

Section 2. The Employer agrees to recognize a Bargaining/Grievance Committee from TESP/MEA/NEA as determined by the local Association. The President or Association Grievance Chairperson and Association Representative, without loss of time or pay, will be allowed time off the job to investigate and present grievances to the Employer. The Association Representative, upon making a request for such release time, will be granted permission as soon as possible, but in any event, not later than the next regularly scheduled working day. For the para-educator Association Representative, except in unusual circumstances, the time off will not be taken when a substitute teacher is on duty.

Section 3. Meetings between the Employer's designated representatives and recognized Union committees shall be scheduled to commence at a mutually agreed upon time.

Section 4. Special conferences for important matters will be arranged between the Bargaining/Grievance Committee and the Employer, which may, at the Union's option, include the Uniserv Director. An agenda of the matters to be taken up at the meeting will be submitted by the party calling the conference.

ARTICLE 6. Settlement of Disputes

Section 1. Grievance Procedure:

- A. A grievance is defined to be a complaint by an employee within the unit based upon an event or condition which is claimed or considered to be a violation, misinterpretation or misapplication of the Agreement and this grievance procedure shall be the exclusive means for resolving grievances as defined herein. It is understood that an individual grievance must be signed by the individual and that at least one member of a class action or Association grievance must sign the grievance on behalf of the class or Association.
- B. Nothing contained herein will be construed as limiting the right of any employee having a grievance to discuss the matter informally with any supervisory or administrative personnel and have the grievance adjusted without intervention of the Union, provided the adjustment is not inconsistent with the terms of this Agreement, and the Union has been given the opportunity to be present at such adjustment.
- C. No grievance shall be processed unless it is presented within ten (10) working days of its occurrence or knowledge of its occurrence. The time limits set forth in steps one through five may be extended upon mutual consent of the parties. Said extension shall be in writing and signed by both parties. The time limits set forth herein or agreed upon shall be adhered to by both parties. In the event that the Union fails to appeal a grievance or grievance answer within a particular time limit, the involved grievance shall be deemed to be abandoned and settled on the basis of the Employer's last answer. In the event that the Employer shall fail to supply the Union with its answer to the particular step within the specified time limits, the Union's last position shall be considered acceptable to both parties.

D. Grievances shall be settled in the following manner:

Step 1. An employee with a grievance will first discuss it with the department supervisor involved with the objective of resolving the matter informally. The Association Representative and President or Grievance Chairperson may be present during the discussion.

Step 2. If the grievance has not been settled, it shall be reduced to writing (reasonably identifying all grievants or the class of grievants), and presented within ten (10) working days to the department supervisor involved. The department supervisor involved or designee shall schedule a meeting within five working days with the grievant(s) and the Association Representative. Within five working days after such meeting, the department supervisor involved shall give a written answer to the grievant(s), Grievance Chairperson, the Union President, and the Uniserv Director.

Step 3. If the answer to the grievance is still unsatisfactory, it may be appealed by the Union within fifteen (15) working days after the date of the employer's answer to the Superintendent or his/her designee. The Superintendent or his/her designee will schedule a meeting to hear the grievance. The meeting may be with the Uniserv Director, Association Representative, Local President and grievant(s). The Superintendent or his/her designee shall give his/her answer in writing to the Union President, Grievance Chairperson, Uniserv Director and grievant(s) within ten working days after the date of the meeting.

Step 4. ARBITRATION. If the answer to the grievance is still unsatisfactory, either party may, within fifteen (15) working days after the Superintendent's or his/her designee's answer, and by written notice to the other party, request arbitration.

Within ten working days after such notice to arbitrate, the Union and the Employer shall endeavor to agree upon a mutually accepted arbitrator. If the parties are unable to agree, a request for a list of arbitrators shall be made to the American Arbitration Association by the party seeking arbitration. The parties will be bound by the rules and procedures of the American Arbitration Association in the selection of the arbitrator.

The arbitrator so selected will hear the matter promptly and will issue his/her decision in a timely fashion. The arbitrator's decision will be in writing and will set forth his/her findings of facts, reasoning, and conclusions on the issue submitted.

The power of the arbitrator stems from this Agreement, and his/her function is to interpret and apply this Agreement and to rule upon alleged contract violations. He/she shall have no power to add to, subtract from, or modify any of the terms of this Agreement, nor shall he/she have any power or authority to make any decision which requires the commission of an act prohibited by law or which is a violation of the terms of the Agreement. The decision of the arbitrator shall be final and binding upon the Employer, the Union, and the grievant(s).

The costs of the arbitrator's services, including expenses, if any, shall be borne equally by the parties.

ARTICLE 7. Employee Discipline

Section 1. The disciplining of employees is a management right and may include, but is not necessarily limited to, oral reprimands, written reprimands, suspensions and dismissal for just cause.

- A. Any oral reprimand, written reprimand, suspension or dismissal of an employee by a supervisor or other administrator shall be done in private. Normally a meeting scheduled by the supervisor shall be scheduled during the employee's regular shift unless arranged otherwise by the District and the Union.
- B. If a supervisor or other administrator decides to investigate an incident prior to discipline, said investigation shall be completed within ten (10) working days. If at the end of ten (10) working days the investigation is not complete, the employee in question shall be informed that the investigation is still in progress and an additional five working days shall be allowed to continue the investigation. If at the end of the five-working day extension the investigation is still not complete, the employee in question shall be informed that the investigation is still in progress and a final five-working day extension shall be allowed. At the conclusion of the investigation, if a written record of an incident is to be inserted in a personnel file, the employee shall receive a dated copy within ten working days. The employee's copy will note that the item is being inserted into said file. The employee shall have the right to insert a rebuttal to any item within thirty (30) days, and the rebuttal shall be attached to the document.
- C. Rights to Representation. Employees shall at all times be entitled to have a Union representative and/or Uniserv Director present when being disciplined. The administration shall inform the employee of this right before disciplining the employee. If the employee requests a Union representative present, the administrator shall delay action for up to twenty-four (24) hours so that a Union representative may be present. For serious disciplinary action involving suspension or termination, the meeting may be adjourned to permit the attendance of the Uniserv Director.
- D. A grievance challenging a suspension of three or more days or challenging dismissal shall be initiated at Step 3 of the grievance procedure.

ARTICLE 8. Seniority

Section 1. Seniority Defined. The seniority of all employees shall commence with the first day of work as the most recent date of hire as a regular employee in this bargaining unit. The Union shall be furnished with a list setting forth, in order of their seniority, each employee's name, seniority number, effective hiring date and classification. Before January 1, 1999 when more than one employee is hired on the same date, seniority will be determined by alphabetical sequence according to last name at time of hire. After January 1, 1999, when more than one employee is hired on the same date, seniority will be determined by lottery. The Assistant Superintendent, Human Resources shall notify the Association President of the lottery date at least one week before the lottery and the Association President shall assign an association member to be present during the lottery.

A seniority list by group classification will similarly be provided. These lists will be provided each January and July on or before the 15th day. The President will be provided with a list of new hires, probationary completions, terminations, and other changes as they occur.

Section 2. Probationary. New employees hired into the unit from the outside shall be probationary for the first sixty- (60) working days of their employment. If thirty (30) or more of the sixty (60) working days occur within the months of July and August, the probationary period shall be extended an additional thirty (30) days. The parties may, by mutual consent, extend the probationary period up to an additional thirty- (30) working days. Upon completion of the probationary period, the employee shall attain seniority status and his/her name shall be entered on the seniority list with a seniority date from the first day worked. Fringe benefit coverage will commence on the first day of the month following the employee's first day of employment.

- A. Upon the completion of the probationary period, an employee shall attain seniority status, and his/her name shall be entered on the seniority list with a seniority date from the first day worked.
- B. The Union shall represent probationary employees for the purpose of collective bargaining in respect to rates of pay, wages, hours of employment and other conditions of employment, except discharged and disciplined employees for other than Union activity.
- C. Seniority shall be applied, first within occupational groups, and finally district-wide. Occupational groups are transportation, custodial, maintenance, food service, para-educator and campus security as reflected in the appendices.

Section 3. Loss of Seniority. Seniority shall be broken and the employee shall be terminated and removed from the seniority list only for the following reasons:

- A. If the employee resigns.
- B. If the employee is discharged, and the discharge is not reversed through the grievance procedure.
- C. If the employee is absent for three consecutive working days without notifying the Employer and fails to give explanations for the absence and lack of notice which are satisfactory to the Employer.
- D. If the employee fails to return to work from layoff when recalled from layoff, as set forth in the recall procedure.
- E. If the employee overstates a leave granted for any reason for three consecutive working days, without notifying the Employer and fails to give explanations satisfactory to the Employer.
- F. If the employee is on layoff for a period of three years or the duration of his/her district-wide seniority at the time of layoff, whichever is shorter.

Section 4. Seniority of Officers and Association Representatives.

- A. Notwithstanding their position on the seniority list, the Association President, Vice President, Secretary, Treasurer, MEA Representative Assembly Delegate(s) and NEA Representative Assembly Delegate(s) in the event of a layoff of any type, shall be continued at work as long as there is a job in their department which they can perform and shall be recalled to work in the event they are laid off to the first open job in their occupational group which they can perform.
- B. The President, Vice President, Secretary, Treasurer, MEA Representative Assembly Delegate(s), and NEA Representative Assembly Delegate(s) shall, in the event of a layoff, be continued at work all times when one or more departments or fractions thereof are at work.
- C. The District recognizes these clauses to the extent that officers, MEA Representative Assembly Delegate(s), and NEA Representative Assembly Delegate(s) are elected biennially, and that these officers and MEA Representative Assembly Delegate(s), and NEA Representative Assembly Delegate(s) are not construed to have protected seniority except during their official term of office.

Section 5. Seniority Accrual

- A. Within the bargaining unit:

- 1. Between Occupational Groups. When an employee moves from one occupational group to another occupational group, the employee's seniority in the new occupational group shall commence with the first day worked in the new group.
- 2. Seniority for computation of vacations, retirement, holidays, or any other fringe benefits shall be from date of original hire into the Troy School District. In the event an employee changes occupational groups with an increase in the number of regularly scheduled paid hours.
 - a) His/Her accumulated leave shall be adjusted downward to reflect the increase in regularly scheduled paid hours, and
 - b) His/Her seniority for purposes of determining vacation shall be based upon the number of regularly scheduled hours paid divided by 2,080.
- 3. An employee who has moved from one occupational group to another occupational group and moves back to his/her original occupational group shall retain the seniority he/she had accumulated in that original group before he/she moved. However, an employee successfully completing the trial period shall remain in that occupational group for at least one hundred eighty (180) working days.

B. Out of the bargaining unit:

1. An employee, who transfers or who is promoted to a position with the Employer not included in the bargaining unit, shall have his/her accumulated seniority frozen after the sixtieth (60th) day after said transfer.
2. In the event the employee returns to the bargaining unit, the employee shall be reinstated in the same job classification within the group classification he/she had prior to leaving the bargaining unit, provided there is an opening, and shall exercise his/her bargaining unit seniority thereafter. The time spent out of the bargaining unit will not be counted toward seniority within the unit after the sixty- (60) day period.
3. Those employees who leave the bargaining unit but still remain employees of the Troy School District and who re-enter the bargaining unit shall have total years of service with the Troy School District counted as the basis in determining salary placement, vacation, and longevity.

ARTICLE 9. Layoff, Bumping and Recall

Section 1. Layoff and Bumping.

- A. The word “layoff” means a reduction in the work force. For purposes of applying the layoff provisions of this article, seniority shall be defined as length of service within an occupational group(s), and within the bargaining unit.
- B. If it becomes necessary for a layoff, the following procedure will be mandatory:

Probationary employees in the affected classifications shall be laid off first.
- C. The necessary number of least senior employees shall be laid off from the affected occupational groups.
- D. An employee will not be permitted to exercise his/her seniority in the form of a bump unless he/she is positioned in the following way:
 1. The employee’s regular job or part of the regular job hours is abolished.
 2. The employee is bumped.
 3. The employee returns from sickness or accident leave of absence which is longer than six months and his/her former position has been filled as a result of a permanent posting.
 4. The employee’s job description or responsibilities have been changed so that it does not fit the original job posting.

Bumping will not be permitted out of classification while a less senior employee is working in the classification. Bumping pursuant to Section 1 D (4) above will be void if a less senior employee is not available.

Bumping will not result in a pay increase, unless an employee is bumping into a job he/she previously held is able to return to his/her former position. Step 1 of the pay schedule shall be used for comparing pay rates for this purpose.

The employee must notify the Assistant Superintendent, Human Resources of his/her desire to exercise bumping rights within three working days of the circumstances above.

- E. Any less senior employee (maintenance, custodial, transportation, food service, para-educator, campus aide) so removed shall be able to exercise seniority rights to bump. Any employee who is positioned to bump under Section 1 (D) above shall bump by following the steps noted below.

Any Bilingual/ELL para-educator so removed shall be able to exercise seniority rights to bump at the start of a school year or at the start of the second semester, unless the Employer allows this to occur earlier. The displaced employee shall not experience a loss or reduction in insurance coverage while waiting to implement his/her bump. It is understood that the continuation of insurance shall not apply when a layoff occurs. Any employee who is positioned to bump under Section 1 (D) above shall bump by following these steps:

Step 1. Within Occupational Group - Same Classification. The employee shall stay within the same classification if the employee's occupational group seniority permits. The employee shall decide if he/she wants to retain his/her shift (maintenance, custodial, campus aide, para-educator, Bilingual/ELL para-educator) or hours (food service, transportation), providing he/she has sufficient occupational group seniority.

- a. If he/she wants his/her current shift, he/she shall first bump into a vacancy on that shift (maintenance, custodial, campus aide, para-educator, Bilingual/ELL para-educator) or with those hours (food service, transportation). If a vacancy does not exist, the employee shall then bump the least senior person on that shift (maintenance, custodial, campus aide, para-educator, Bilingual/ELL para-educator) or with those hours (food service, transportation).
- b. If he/she chooses not to retain his/her shift (maintenance, custodial, campus aide, para-educator, Bilingual/ELL para-educator) or hours (food service, transportation), he/she shall first bump into a vacancy. If a vacancy does not exist, the employee shall bump the least senior person in that classification.

Step 2. Within Occupational Group - Lower Classification (Step 2 not applicable to Bilingual/ELL para-educators). If the employee does not have sufficient seniority to continue in the same classification, the employee shall bump into a lower paid classification in the same occupational group, providing his/her occupational group seniority permits. The employee shall bump into a classification in which he/she is able to perform.

Employees shall maintain their step level. The employee shall choose if he/she wants to retain his/her shift (maintenance, custodial, campus aide, para-educator, Bilingual/ELL para-educator) or hours (food service, transportation), providing he/she has sufficient occupational group seniority.

a. If he/she wants his/her current shift, he/she shall first bump into a vacancy on that shift (maintenance, custodial, campus aide, para-educator, Bilingual/ELL para-educator) or hours (food service, transportation). If a vacancy does not exist, the employee shall bump the least senior person on that shift (maintenance, custodial, campus aide, para-educator, Bilingual/ELL para-educator) or with those hours (food service, transportation),.

b. If he/she chooses not to retain his/her shift (maintenance, custodial, campus aide, para-educator, Bilingual/ELL para-educator) or hours (food service, transportation), he/she shall first bump into a vacancy. If a vacancy does not exist, the employee shall bump the least senior person in that classification.

Step 3. Return to Previous Occupational Group. If the employee does not have sufficient classification seniority to continue in his/her current occupational group, the employee may bump into a position he/she previously held in another occupational group in this bargaining unit providing he/she meets the current qualifications for the position and has more seniority than the current incumbent(s).

The employee shall bump into a classification using the procedure outlined in Step 2 (A).

Step 4. District-wide Seniority (Step 4 not applicable to Bilingual/ELL para-educators). If the employee does not have sufficient occupational group seniority to continue in a classification within the occupational group in Step(s) 2 and/or 3, the employee may use his/her district-wide seniority to avoid a layoff by bumping the least senior employee in any classification on a District-wide basis, where the employee can satisfactorily meet the standards and perform the duties of the job. It is understood that if a member of the Maintenance Occupational Group bumps into the Custodial Occupational Group, he/she shall only be allowed to bump into a position he/she previously held in this bargaining unit; otherwise, he/she shall bump into a Custodian I position.

In the event the employee proves unsatisfactory in the position and is removed by the Employer, such removal may be subject to the third step of the grievance procedure.

- F. An employee (maintenance, custodial, transportation, food service, para-educator, campus aide) who has bumping rights as set forth in Steps 3 and 4 above shall have the right also to accept the layoff until recalled. A Bilingual/ELL para-educator who has bumping rights as set forth in Steps 1 and 3 above, shall have the right also to accept the layoff until recalled.
- G. The least senior employees, who remain unplaced after the reduction in the required classifications and bumping is completed, shall be laid off.

- H. Layoff Notice. Employees to be laid off will be given at least fourteen (14) days notice of layoff. The President and Uniserv Director shall receive a list from the Employer of the employees being laid off on the same date the notices are issued to the employees. This notice shall not apply where the layoff is a result of circumstances unforeseen by the Employer.
- I. Seniority Accrual On Layoff. Employee shall accrue seniority while on layoff, up to three years.
- J. The above layoff procedure does not apply to the normal reduction of work force during the time school is not in session.

Section 2. Recall Procedure. When the work force is increased after a layoff, laid off employees shall be recalled as follows: the most senior employee shall be recalled to the first opening in the classification from which the employee was laid off, or if he/she had bumped down from his/her original position in the reduction of the work force before being laid off, to such original position. Recall will be by written notice, (return receipt mail) to the employee's last-known address on file with the Employer and shall require that the employee both notify the Assistant Superintendent, Human Resources of the employee's decision to accept recall and report to his/her supervisor within three workdays after the date of delivery or proof of non-delivery. The employee, if employed elsewhere, will be allowed a fourteen (14) day grace period in which to give proper notice of resignation to said Employer, provided that the employee notified the Assistant Superintendent, Human Resources of acceptance of recall within three workdays. The employee must then report to work on the next workday following the fourteen- (14) day grace period. A copy of the recall notice shall be forwarded to the Association President. The Employer may grant for good cause to employees who are not working elsewhere at the time of recall an extension of no more than fourteen (14) days to report for work, provided that the employee notified the Assistant Superintendent, Human Resources of acceptance of recall within three workdays.

ARTICLE 10. Posting Vacancies

Section 1. When the Employer decides to fill a vacancy, it shall be posted and filled through the bidding system or, if no bids are received, then by new hires.

Section 2. Job vacancies will be posted for five working days on the Union bulletin board. The posted notice shall set forth the job title, shift and location of the opening and the approximate number of hours required.

Section 3. Employees interested shall apply within the five working day posting period. The employees bidding for the job must file their bids in writing with the designated supervisor. The employee shall retain one copy of the form, send one copy of the form to his/her Association representative, and the supervisor shall retain the original. Only employees who are available to perform the duties in the new position within five working days of the posting closing are eligible to bid on the position.

Section 4. When a vacancy occurs which is not brought about through sickness or accident or which is more than sixty (60) working days of noncompensable leave, said vacancy shall be posted in all buildings. During the regular school year, the posting shall be made no later than fifteen (15) workdays after the position is actually vacated.

Section 5. When a vacancy occurs which is brought about by sickness or accident, if it is apparent the absence will be longer than ten workdays, the position will be posted as a temporary vacancy. If the absence of the employee exceeds six months, the position shall be considered to be a permanent vacancy and posted accordingly.

Section 6. Temporary Vacancies. When an employee is awarded a job and his/her vacancy is open and/or then posted, the qualified seniority employee in the next lower classification or that group classification in the building shall have the option to fill said vacancy and be paid the higher rate of pay, if any is involved. Thereafter, the District may fill the resulting vacancy at its discretion or leave the position vacant. This will also apply on day-to-day absences where regular assigned employees are not available. If the employee who filled the temporary vacancy returns to his/her last position prior to the termination of the temporary vacancy, then the second most senior qualified bidder for the temporary vacancy shall be awarded the job, and the District may fill the resulting vacancy at its discretion or leave the position vacant.

Section 7. Absent employees shall be returned to their position if the absence does not exceed six months. If the absence exceeds six months, the absent employee will have the right to bump the least senior employee in the classification and shift (hours for Food Service employees) which he/she held prior to the absence. If he/she lacks the seniority to so bump, then the District shall follow the layoff procedure in Article 9.

Section 8. Summer Vacancies. The District shall operate either a telephone job “hotline” and/or website to advertise District job openings during summer recess.

Section 9. Triplicate bid forms will be available in all buildings:

TROY SCHOOL DISTRICT BID FORM	
Date_____	
I, _____, wish to place my bid	
Name	
on_____	in _____
Job Title	Place
Posted on _____.	
Date of Posting	My seniority date _____

Past Experience	

Signature of Applicant	

ARTICLE 11. Promotions and Transfers

Section 1. Transfers. Bids will be awarded first within occupational groups (See appendices). In the event a job is awarded to an employee from another occupational group, the employee will not bid out of the new occupational group for a minimum of one hundred twenty (120) working days except in the event of layoff.

Section 2. Transfer Within Current Classification. Location and shift bids will be awarded according to seniority.

Section 3. Transfer to Another Classification. The senior occupational group applicant possessing the ability to perform in the position shall be granted the transfer. In the event the senior applicant was denied the transfer, the reasons will be shared with the employee upon request. This section shall not apply to para-educator positions.

For vacancies posted during the school year, para-educators and Bilingual/ELL para-educators may apply for the vacancy with the understanding that if selected for the position, the transfer will become effective no later than the next semester or the start of the next school year, whichever comes first.

Section 4. Basis for Promotions. Promotions within the bargaining unit occupational group shall be made on the basis of seniority, attendance record, work record for the past five years, training, and ability to meet the trial period outlined in Section 6.

Section 5. Trial Period for Promotions and Transfers. The person awarded a promotion or transfer* shall be granted a thirty- (30) work day trial period, except for para-educators and Bilingual/ELL para-educators. An employee who is working in the para-educator occupational group for the first time shall serve a sixty (60-) work day trial period. An employee who is working in the Bilingual/ELL para-educator occupational group for the first time shall serve a sixty (60-) work day trial period. This shall not prevent the School District from removing an employee whenever lack of ability to do the job is obvious. The trial period shall determine the employee's desire to remain in the job and his/her ability to perform in the job. (*Custodians: See Article 22 for clarification/exception.)

During any trial period, the employee shall have the right to return to his/her former position. If the employee is unsatisfactory and is removed from the new position, notice and reasons shall be shared with the employee. The matter may then become a proper subject for the third step of the grievance procedure.

For positions other than temporary vacancies, if an employee returns to his/her former position, the position he/she is vacating may be re-posted.

Section 6. The Union President will be provided with the postings and/or a list of all transfers, promotions and/or all other changes of status of employees in the bargaining unit. When the change of status results in an increase or decrease of hours, the change shall be forwarded to the Union Treasurer.

Section 7. Involuntary Disciplinary Transfers. The Employer retains the right to transfer employees for disciplinary reasons at any time under the following circumstances:

- A. Prior approval of the Assistant Superintendent, Human Resources will be obtained.
- B. Transfers may be effected for an indefinite period of time; however, employees who have been involuntarily transferred may bid on vacancies.
- C. Involuntary transfers for disciplinary reasons may be subject to the grievance procedure.

ARTICLE 12. Days, Weeks and Hours of Work

Section 1. Regular Hours. Except for bus drivers and bus monitors, the regular hours of work each day shall be consecutive except that they may be interrupted by a lunch period. All employees shall be scheduled to work on a regular work shift, and each work shift shall have a regular starting and quitting time. Work schedules showing the employees' shifts, workdays, and hours shall be posted in each building or provided to the Union upon request. Except in emergency situations, work schedules shall not be changed unless the changes are mutually agreed upon by the Employer and the Union.

Section 2. Minimum Reporting Compensation. Any employee who is scheduled to report for work and who presents himself/herself for work as scheduled shall be assigned to work at least two hours at the rate of time and one-half.

Section 3. Extra Duty. Any employee required to make an extra trip to work outside of his/her regularly scheduled shift shall be paid for a minimum of two hours at the rate of time and one-half. This shall not apply to bus drivers who substitute for noon runs.

ARTICLE 13. Break Periods

Section 1. Lunch Break. All employees will be granted a thirty- (30) minute lunch period without pay during each work shift.

Section 2. Shift Break. All employees' work schedules shall provide for a fifteen- (15) minute rest period during each one-half shift. The rest period shall be at the middle of each one-half shift, whenever this is feasible. Food Service employees shall be entitled to a ten-minute rest period if working less than four hours.

Employees, who for any reason work beyond their regular quitting time into the next shift, shall receive a fifteen- (15) minute rest period before they start on such next shift. In addition, they shall be granted the regular rest periods that occur during the shift.

ARTICLE 14. Overtime

Section 1. Rate of Pay for Maintenance, Custodial, Para-educator, and Campus Security employees. Time and one-half the employee's regular hourly rate of pay or double time shall be paid for work under the conditions described below (compensation shall not be paid twice for the same hours):

- A. Weekly. All work performed in excess of forty (40) hours in any one work week shall be at the rate of time and one-half employee's regular hourly rate of pay.
- B. Saturday. Time and one-half shall be paid if both of the criteria have been met.
 - 1. Forty (40) hours have been worked previously during the scheduled workweek. (It is understood that the employee may count approved time for: vacation, floating holiday, personal business and/or an Association Day to meet the forty- (40) hour overtime threshold.)
 - 2. Saturday does not fall regularly within the first five days of the employee's scheduled workweek.
- C. Sunday. Double time shall be paid if both of the criteria have been met.
 - 1. Forty (40) hours have been worked previously during the scheduled workweek. (It is understood that the employee may count approved paid vacation time, personal business, floating holiday and/or an Association Day to meet the forty- (40) hour overtime threshold.)
 - 2. Sunday does not fall regularly within the first five days of the employee's scheduled workweek.

Section 2. Distribution. Overtime work shall be divided as evenly as possible within each building. In other departments or classifications, overtime shall be divided by seniority as equally as possible on a rotating basis. It is understood that certain events may require that a male or female work overtime out of rotation.

Section 3. Work at Employee's Option. Overtime work shall be voluntary. If no qualified person in a building or department or classification agrees to work an overtime assignment and no one from another building or department or classification agrees to do it, then the least senior employee qualified to do the work in that building or department may be required to do it. If a least senior employee is required to work overtime, he/she shall be paid time and one-half for work performed in excess of eight hours on a given day or for any work performed on Saturday; and he/she shall be paid double time for any work performed on Sunday. There shall be no discrimination against any employee who declines to work overtime.

Section 4. Holiday Work. If an employee works on any of the holidays listed, he/she shall be paid in addition to his/her holiday pay double time for all hours worked.

ARTICLE 15. Holidays

Section 1. Holidays Recognized and Observed. The following days shall be recognized and observed as paid holidays for employees who would otherwise be scheduled to work on the holiday and who actually work the work days immediately before and after the holiday or are approved for use of accumulated leave.

Custodial/Maintenance/Full-year Transportation Employees

- Labor Day
- Thanksgiving and the Friday after
- Christmas Eve and Christmas Day, as determined by the District
- New Year's Eve
- New Year's Day
- Good Friday
- Memorial Day
- Independence Day (plus Monday when Independence Day is on Tuesday; plus Friday when Independence Day is on Thursday)

Food Service/Transportation/Para-Educator/Bilingual/ELL para-educator/ Campus Security Employees

- Labor Day
- Thanksgiving Day and the Friday after
- Christmas Day
- New Year's Day
- Good Friday
- Memorial Day

Section 2. Eligible employees shall receive one day's pay for each of the holidays listed above on which they perform no work.

Section 3. Whenever any of the holidays listed above shall fall on Saturday, the preceding Friday shall be observed as the holiday. Whenever any of the holidays listed above shall fall on Sunday, the succeeding Monday shall be observed as the holiday.

Section 4. Holiday Work. If an employee works on any of the holidays listed above, he/she shall be paid double time for all hours worked in addition to his/her holiday pay.

Section 5. Holiday Hours for Overtime Purposes. For the purposes of computing overtime, all holiday hours (worked or not worked) for which an employee is compensated shall be regarded as hours worked.

Section 6. Floating Holidays. Employees in each occupational group will be provided one floating holiday in addition to those named above. A new employee who begins work between July 1 and December 31 shall receive a floating holiday if he/she successfully completes his/her probationary period. In such case the floating holiday shall be awarded for use that school year. A new employee who begins work between January 1 and June 30 must successfully complete his/her probationary period before he/she is eligible to receive a floating holiday during the next school year. Requests for this floating holiday shall be made

at least two weeks in advance. The Employer shall approve or deny the floating holiday request at least one week in advance. The floating holiday may be used in place of a regularly scheduled workday or vacation period. If the floating holiday is unused at the end of the fiscal year, the floating holiday shall be converted into an annual leave day and be added to the employee's leave bank.

ARTICLE 16. Wages

Section 1. Wage Schedule. Employees shall be compensated in accordance with the wage schedule attached to this Agreement and marked Appendices. The wage schedule shall be considered a part of this Agreement.

When any position not listed on the wage schedule is established, the Employer may designate a job classification and rate structure for the position. In the event the Union does not agree that the classification and rate are proper, the Union shall have the right to submit the issue as a grievance at Step 3 of the grievance procedure.

Employees shall move from the minimum step in the pay range to the maximum step in six-month increments, except that the Employer may give credit for previous experience in placing a new employee at an appropriate step. Changes will be made on January 1st and July 1st of each year. If the employee has had four months or more of regular employment, he/she will be advanced to the next step on the change date.

Section 2. Work Out of Classification. Employees required to work in a higher classification for three hours or more on that shift, shall be paid the rate of the higher classification for the entire day.

Section 3. Shift Differential. All custodial and maintenance employees in all classifications will receive a fifteen-cent (\$0.15) per hour additional differential for all work performed when a shift starts after Noon. For shifts commencing after 10 P.M. employees shall be eligible for a twenty-cent (\$0.20) per hour differential in addition to their base hourly straight time set forth in the Appendices.

Section 4. Longevity. Longevity will be paid at the rate as set for in the Appendices after eight years (Longevity 1), fourteen (14) years of service (Longevity 2), and after twenty (20) years of service (Longevity 3).

Section 5. Pay Period. The salaries and wages of employees shall be paid according to the District's payroll schedule, which will be provided to the Union.

Section 6. New/Changed Position. If a new position should be created or a significant change is made in the method of operation, a temporary rate may be established by the Employer for a period not to exceed ninety (90) days. During this period the Employer and the Union shall bargain the rate for the position.

Section 7. Mileage. All employees required to drive their own vehicle during the performance of their job shall be paid the same as the IRS maximum rate in effect.

Effective May 9, 2007, high school parking lot guards who are assigned outdoors between November 1 through April 30, shall not be paid pursuant to this section, but shall be paid pursuant to Article 27, Section 27.8.

ARTICLE 17. Annual Leave

Section 1. Annual Leave. Annual leave shall be provided to cover absences without loss of pay for the reasons listed below. A day of leave shall be equal to the number of hours normally worked by the employee on a workday Employees hired on or before May 9, 2007, shall continue to receive their annual leave days frontloaded into their leave banks at the beginning of their work year. Employees hired after May 9, 2007, shall accrue their annual leave days in relatively even increments throughout their work year with each payroll period.

Employee Group	Annual Leave Days	Maximum Number of Annual Leave Days Allowed for Personal Business
Hired on or after 7/1/99 Less than 12-Mo. Employee All groups (except Bilingual/ELL Para-educators)	12	3
Hired on or after 7/1/99 12-Mo Employee All groups (except Bilingual/ELL Para-educators)	14	4
Hired on or before 6/30/99 All groups (except Bilingual/ELL Para-educators)	14	4
Bilingual/ELL Para-educators (all)	12	3

- A. Personal illness. Leave days are not permitted to be used for elective surgery during the school year by employees who are not scheduled to work during the student summer recess.
- B. Serious illness in the immediate family, which includes spouse, children and the members of the employee's household, parents and foster parents of employee or spouse, or brothers and sisters of the employee.
- C. Death of a relative.
- D. Personal Business. Personal business days should be used for business activities that cannot reasonably be done outside of normal working hours. Prior approval should be received for personal business days at least a minimum of two work days in advance of the personal business day requested. In the case of an emergency, the timeline can be

waived by the department supervisor. Personal business days cannot be used on the day before or after a holiday or vacation, unless otherwise approved.

- E. The employee may borrow in advance from the following year's annual leave allowance by executing a promissory note in favor of the Troy School District, said note to be cosigned by the Union.

Section 2. Accumulated Leave Days. All the unused leave days shall be added at the end of each fiscal year to the employee's leave day reserve. Said leave day reserve may be used for reasons A, B, C, and D above and/or for a basis of calculating severance pay upon voluntary termination of employment with Troy Schools. Severance pay will not be paid in cases where at least two week's notice of leaving was not given or where illegal, immoral or other unethical conduct by the employee is involved. In case of death, the beneficiary designated on the Office of Retirement Services' Public School Employees Beneficiary Nomination form shall receive said reimbursement.

In order to be eligible to receive severance pay, an employee must have a minimum of thirty (30) days in his/her accumulated leave bank. Accumulated leave days shall be paid as follows.

Accumulated Leave Bank Balance on Employee's last day of employment	Amount of Severance Pay
At least 30.0 – 80 days	50% pay for each day
At least 100 days	45 days of pay
At least 110 days	50 days of pay

Seriously ill/disabled employees may receive donated days once during a school year. Prior to receiving donated days, he/she must have exhausted all of his/her sick leave days and all but five vacation days (however, the employee may elect to exhaust all vacation days). Donated leave days may not exceed the number of days necessary for the employee to reach the long-term disability insurance eligibility date. Such donations are voluntary and will be deducted from the employee's total accumulation of sick days. No employee may donate more than a total of sixteen (16) hours per contract year to one individual. Cross-classification donations shall be permitted on an actual hourly basis.

Section 3. Absence from a Paid Workday.

- A. When an employee is absent from a paid workday, he/she shall not receive his/her salary for such day unless 1) his/her absence is covered under Section 1; and 2) the employee has notified the District of his/her absence according to the requirements contained in the classification-specific articles.
- B. Anyone wishing to take days off without pay before or after a paid holiday must make special arrangements with the department supervisor ahead of time, or risk loss of pay for the holiday. If more employees request time off than the Administration is able to provide substitutes for, the earlier requests will receive more consideration.

Section 4. Adjustments Due to Unfinished Contract. Employees who leave the employment of the Troy School District before termination of the current year's operation for reasons other than those beyond his/her control will forfeit one leave day for each school month remaining at the date of termination of services, whether or not such leave days have already been used. Adjustments for such forfeiture shall be made on the employee's final paycheck.

Section 5. Worker's Compensation. Any employee who is injured in the line of duty, shall receive such compensation and expenses as are prescribed by the Worker's Compensation Law of the State of Michigan plus any other benefits from Social Security or other public sources. Such compensation shall be supplemented with an amount sufficient to maintain his/her regular salary for a period not to exceed sixty (60) calendar days, without reduction of accumulated sick leave instead.

Section 6. Absence Due to Long Term Disability. (See Article 18, Section 6)

Section 7. Contagious Diseases. Absence due to illness resulting from contact with children at school, if the contagious contact can be traced, will be paid for without deduction from sick leave days in cases of diseases such as mumps, measles, scarlet fever, whooping cough, chicken pox, hepatitis and conjunctivitis; but not for diseases such as influenza, colds, coughs or any other disease.

Section 8. Miscellaneous Absence.

- A. **Absence due to Court Appearance.** In a case connected with employment in Troy Schools or due to being subpoenaed on any legal proceeding connected with Troy Schools, the employee will be paid for duties without being charged leave days.
- B. **Absence due to Jury Duty.** If an employee must serve on jury duty, he/she will be paid the difference between the jury pay and the employee's regular pay without loss of leave days.
- C. **Absence due to Religious Observances.** Absence due to religious observances may be deducted from the employee's annual leave as personal business days up to a maximum of two more days of leave than normally allowed for personal business.
- D. **Conferences.** Approved attendance at conferences, conventions or other educational meetings will not result in a deduction from leave days and will be paid.
- E. **Union Conferences and Conventions.** Personal business days may be used for attendance at union conferences and/or conventions.
- F. **Association Business.** The Association shall be provided twenty (20) days per year for their collective use for Association business including attendance at conferences and workshops sponsored by the Association or affiliated organizations outside of the District. Any of the allocated Association days not used in a particular school year shall accumulate and be added to the following year's allotment, provided that such accumulated amount shall not exceed forty (40) days. The Association may request to

purchase (at the employee's hourly rate) additional days from the District. The request shall be made in writing to the Assistant Superintendent, Human Resources.

ARTICLE 18. Insurance

***Section 1. A. Insurance Eligibility for Employees Other than Food Service Employees.**

Employees (except Bilingual/ELL para-educators) hired on or before June 30, 1995, must be regularly working twenty (20) or more hours per week to be eligible for the insurance specified in Article 18 on the first day of the month following the first day worked. Effective July 1, 2005, an employee will be eligible for insurance on the first day of the month following the successful completion of his/her sixty (60) working day probationary period. Bilingual/ELL para-educators shall be eligible for insurance on the first day of the month following the completion of sixty (60) working days of his/her probationary period. The Employer will provide a one hundred percent (100%) premium contribution for these insurances. Employees hired on or after July 1, 1995, and all Bilingual/ELL para-educators will receive the following Employer premium contribution toward their insurance:

Working regularly 20 – 24.99 hours per week	50%
Working regularly 25.0 – 29.99 hours per week	75%
Working regularly 30.0 or more hours per week	100%

***Section 1. B. Insurance Eligibility for Food Service Employees.** Food Service employees must be working thirty (30) hours or more per week to be eligible to receive the insurance specified in Article 18 on the first day of the month following the first day worked. Effective July 1, 2005, Food Service employees must work thirty (30) hours or more per week to be eligible to receive the insurance specified in Article 18 on the first day of the month following the successful completion of his/her sixty (60) working day probationary period.

Section 2. Insurance Coverage.

A. Health Insurance. The Employer agrees to self-fund a health insurance plan for an individual employee/or two persons/or full family that provides the level of benefits outlined in Appendix A. Employees (except Food Service employees) hired on or after July 1, 1995, will receive Plan B (Blue Care Network-HMO or comparable) health insurance for the first two years of employment with the District. Thereafter, the employee may remain on Plan B (Blue Care Network-HMO or comparable) or elect Plan A (self-funded plan administered by AmeraPlan or comparable plan). However, if the employee did not complete two years of employment prior to July 1, 2007, he/she shall remain on Plan B (Blue Care Network-HMO or comparable). Employees hired on or after July 1, 2007 will receive Plan B (Blue Care Network-HMO or comparable) health insurance.

Food Service employees receiving fringe benefits as of September 30, 1995, will receive Plan A (self-funded plan administered by AmeraPlan or comparable plan) or Plan B (Blue Care Network-HMO or comparable) providing they meet the eligibility in Section 1 B above. Food Service employees newly receiving fringe benefits after of September 30, 1995 will only be eligible to receive Plan B (Blue Care Network-HMO or comparable plan) health insurance, providing they meet the eligibility in Section 1 B above.

	Troy School District Self-Funded Insurance*	Troy School District Self-Funded Insurance*	Blue Cross Blue Shield Blue Care Network HMO**	Blue Cross Blue Shield Blue Care Network HMO**
	In-Network	Out of PPOM Network	In BCBS Network	Out of BCBS Network
Annual Deductible	None	\$100 individual/ \$200 2-persons or family	None	No Coverage if Outside BCBS Network
In-Network co-pay	See Schedule of Benefits on Pages ____	See Schedule of Benefits on Pages ____	100% coverage No co-pay	No Coverage if Outside BCBS Network
Annual Out-of-Pocket Maximum	Not applicable	\$1,000.00	100% coverage No co-pay	No Coverage if Outside BCBS Network
Office Visit Co-pay	\$10.00	20% co-pay	100% coverage No co-pay	No Coverage if Outside BCBS Network
Prescription co-pay (mail-in/generic/legend)	\$10 generic/ \$20 brand 1 co-pay for mail-in 90-day supply	\$10 generic/ \$20 brand 1 co-pay for mail-in 90-day supply	\$5 generic/ \$10 brand 1 co-pay for mail-in 90-day supply	\$5 generic/ \$10 brand 1 co-pay for mail-in 90-day supply
Annual Plan Participation Incentive	\$0	\$0	\$800 after first 2 years of employment	\$800 after first 2 years of employment

*Troy School District Self-Funded Insurance Benefits are detailed in Schedule __ on Pages ____

** BCBS Blue Care Network HMO Benefits are detailed in Schedule __ on Pages ____

Option to Health Insurance. Effective July 1, 2008, employees who are eligible to be enrolled in health insurance, but do not choose to enroll and who are not enrolled in another Board-sponsored health insurance plan, the Employer will provide an advance election cafeteria plan that provides two thousand dollars (\$2,000.00). This benefit shall be prorated if the employee works less than thirty (30) hours per week. The proration shall be calculated according to Section 1 above. The number of people electing the option shall be determined at the close of business on the last day of the open enrollment period.

B. Life Insurance. The Employer will pay the premium (per Section 1) on a \$30,000 term life insurance policy. Such insurance may be converted to some type of individual life insurance plan at cost to the employee upon his/her termination.

C Dental Insurance. The Employer agrees to self-fund a dental plan that provides a Schedule of Benefits that is outlined in Appendix B. Class I Basic Dental Services, Class II Prosthodontic Dental Services, and Class III Orthodontic Dental Service (to age 19) . Class I, Class II and Class III benefits will be provided at a benefit level of eighty percent (80%), or at a benefit level of fifty percent (50%), if benefits are coordinated. Class I and Class II benefits shall be limited to one thousand dollars (\$1,000) per contract year per member, and Class III benefits shall not exceed a lifetime maximum of \$1,000 per person. The plan shall provide for an internal and external coordination of benefits.

D. Vision Insurance. The Employer agrees to self-fund a vision plan that provides a Schedule of Benefits that is outlined in Appendix C, which includes dependent college students up to age twenty-five (25). There shall be an internal and external coordination of benefits.

E. **Long Term Disability Insurance.** The Employer agrees to pay the premium (per Section 1) on a policy that will provide long-term disability income insurance after the first sixty (60) calendar days of any illness or disability. Such insurance shall pay up to two-thirds (2/3) of his/her regular salary, subject to a maximum benefit of three thousand dollars (\$3,000) per month and reduced by any amounts paid or payable under Worker's Compensation, Social Security or the Michigan Public School Employees Retirement System. The remuneration under this Article is as established under the carrier's policy and is paid at the daily rate (seven days per week fifty-two weeks per year) or 1/365th of the annual salary of the employee. This remuneration is paid up to retirement, death or the ability to return to work, whichever occurs first.

Section 3. Insurance Contracts. All master insurance contracts will be kept by the Employer, and a complete copy of each contract will be given to the union President, upon request. In addition, employees will be given descriptive pamphlets of insurance.

Section 4. Health Insurance While on Health Care Leave. The Employer agrees to pay the premium (per Section 1) on the health care insurance policy for a maximum of one hundred twenty (120) calendar days for an employee (other than Bilingual/ELL para-educators) who has exhausted his/her sick bank and is on a health care leave of absence awaiting the beginning of the qualifying period of the long-term disability income insurance policy. Bilingual/ELL para-educators must have at least three years of service as a Bilingual/ELL para-educator to be eligible to receive this benefit.

An employee on a health care leave of absence may pay the District in advance of every month the premium cost to continue his/her health insurance during his/her COBRA eligibility period following the completion of the District's health insurance premium payment obligations.

Section 5. Insurance While Receiving Worker's Compensation Insurance. If an employee is injured on the job, the Employer agrees to continue to pay the premium (per Section 1) for the above insurances at no cost to the employee for a period not to exceed twelve (12) months from the date of injury. If the twelve months are not consecutive, then a total of twelve months of insurance shall be provided. A month will be counted if the employee is off work and drawing worker's compensation pay for more than fifteen calendar days and receiving insurance.

Section 6. The nature, amount, extent, commencement, duration, and term of benefits and coverage, as specified for all insurances in this Article, shall be as provided in the insurance policies and rules and regulations of the insurance carriers. The Employer's only obligation shall be to pay the required premiums for said insurances. Any claim settled between the employee and the carrier shall not be subject to the grievance procedure of the collective bargaining agreement.

ARTICLE 19. Leaves of Absence

Section 1. Eligibility Requirements. Employees shall be eligible for leaves of absence (except for FMLA leave that requires one year of employment and minimum of 1250 hours worked the year immediately preceding the leave) after serving the probationary period with the Employer, provided that such leaves of absence, except medical leaves of absence, shall be subject to the discretion of the Employer, and provided further that such leaves of absence shall not be granted if the efficient operation of the schools would be thereby jeopardized. An employee on a leave of absence, other than a medical leave of absence, shall not receive fringe benefits or accrue seniority unless he/she is receiving pay through use of accumulated leave days (including donated days), or vacation days, or is on military leave. Employees on medical leaves of absence shall be allowed to accrue a maximum of six months of seniority while on medical leave, and shall be eligible for insurance benefits as provided in Article 18, Section 4.

Section 2. Application for Leave. Any request for a leave of absence shall be submitted in writing by the employee to the Assistant Superintendent, Human Resources with a copy to his/her immediate supervisor. The request shall state the reason the leave of absence is being requested and the approximate length of time the employee desires. The employee shall submit the request at least two weeks in advance of the needed leave. This advance notice may be waived at the discretion of the Assistant Superintendent, Human Resources.

Authorization for a leave of absence, if granted, shall be furnished promptly to the employee in writing from the Assistant Superintendent, Human Resources.

A request for a short-term leave of absence (a leave not exceeding one month) shall be answered within five days. A request for a leave of absence exceeding one month shall be answered within ten days.

Section 3. Medical Leaves. An employee shall be granted a medical leave of absence upon request and upon the written recommendation of his/her physician. Medical leaves shall be granted for up to the balance of the school year, and may be extended for up to one additional school year. Employees on medical leaves may return prior to the end of the medical leave. An employee must furnish the Assistant Superintendent, Human Resources with a letter from his/her licensed physician recommending and stating the reason for the medical leave of absence in advance of the commencement of said leave and/or at the time the employee requests a leave extension. Upon return to regular employment with a doctor's clearance, the employee will be reinstated in accordance with Article 8 of this Agreement. Any employee who is absent and using sick leave days is not eligible to be placed on District medical leave until he/she exhausts his/her sick and personal leave days. However, the District may charge the employee's absence against any Family and Medical Leave time to which he/she may be eligible to receive by law. When he/she exhausts his/her sick and personal leave days, he/she shall immediately apply for a medical leave of absence from the District or the District may place him/her on a medical leave. Employees on medical leaves are not receiving pay from the District, and therefore, they are not accruing seniority or other benefits

An employee who becomes pregnant and who wishes to continue her employment shall notify the district and provide a physician's statement identifying her anticipated delivery

date no later than the fourth month of pregnancy. Medical leaves for maternity purposes will begin when the employee and her physician determine the need. The period of leave shall be for the duration of the mother's actual disability.

Section 4. Childcare Leave. The Employer may grant leaves of absence for child care of up to one year. Childcare leaves must be requested in writing at least twenty (20) working days in advance of the desired start of the leave.

Section 5. Union Leave. One member of the Union elected to a local union position or selected by the Union for employment, which takes the member from his/her position with the Employer, shall, at the written request of the Union, receive a leave of absence for a period of one year, and said leave may be extended at written request by the Union. Reinstatement shall be in accordance with Article 9 of this Agreement.

Section 6. Military Leave. All provisions of this form of leave shall be in accordance with state and federal laws governing such leaves. An employee shall accrue seniority while on military leave.

Section 7. Personal Leaves. Employees may request leaves of absence for reasons not covered elsewhere in this Article. Such leaves may be granted at the discretion of the employer for up to one year.

Section 8. Family and Medical Leave. Employees may request or may be placed on leaves of absence, pursuant to the Family Medical leave Act of 1993 (FMLA). Employees who are found eligible, shall be required to exhaust all paid leave entitlements, other than vacation, for which they may otherwise be eligible under the terms and conditions of the collective bargaining agreement during their FMLA leave time. The rights established by the FMLA will not diminish any employee benefit programs or plans or paid leave provisions dictated by the terms of the collective bargaining agreement. Further, any rights afforded by the FMLA will not be used to expand an employee's contractual rights and benefits, provided those rights and benefits meet or exceed the basic requirements of the FMLA.

ARTICLE 20. General Provisions

Section 1. Pledge Against Discrimination and Coercion. The provisions of this Agreement shall be applied equally to all employees in the bargaining unit without discrimination as to age, sex, marital status, race, disability, religion, national origin or political affiliation. The Union shall share equally with the Employer the responsibility for applying this provision of the Agreement.

All references to employees in this Agreement designate both sexes, and wherever the male gender is used, it shall be construed to include male and female employees unless explicitly written to be gender specific.

The Employer agrees not to interfere with the rights of employees to become members of the Union, and there shall be no discrimination, interference, restraint, or coercion by the Employer or any Employer representative or any employee against any employee because of

Union membership or because of any employee activity in an official capacity on behalf of the Union or for any other cause.

The Union recognizes its responsibility as bargaining agent and agrees to represent all employees in the bargaining unit without discrimination, interference, restraint or coercion.

Section 2. Union Bulletin Boards. The Employer agrees to make available suitable bulletin board space in convenient places in each building to be used by the Union. The Union shall limit its posting of notices and bulletins to such bulletin space. All such notices and bulletins shall be signed by authorized local Union representatives.

Section 3. Union Activities on Employer's Time and Premises. The Employer agrees that during working hours, on the Employer's premises, and without loss of pay, the Union president, vice-president, association representative and grievance chairperson shall be allowed to do the following provided the Employer or its agent shall first approve any lengthy discussions and provided such discussions shall not substantially interfere with the employee's performance of his/her duties. However, during a discussion or conference, Association representatives will not be required to leave in order to return to work unless the meeting or conference is completed.

- A. Post Union notices in his/her own building.
- B. Transmit urgent communications authorized by the local Union or its officers, to the Employer, or its representative.
- C. Consult with the Employer, its representative local Union officer, or other Union representatives concerning the enforcement of any provisions of this Agreement.

Section 4. Grievance Investigations. The MEA Uniserv Director and/or his/her designee shall have access to the premises of the school district at reasonable times to investigate grievances and other problems with which they are concerned. These representatives shall first notify the Assistant Superintendent, Human Resources or the Superintendent of Schools, in the absence of the Assistant Superintendent, Human Resources, before going anywhere in the school district and receive his/her permission to do so, provided such permission shall not be unreasonably withheld.

Section 5. Work Rules. All existing work rules and practices will be subject to discussion before being changed, and all future work rules will be subject to discussion between the Employer and the Union before they become effective.

- A. Revising. When existing rules are changed or new rules are established, they shall become effective, except in emergency, ten days after being posted.
- B. Informing Employees. The Employer further agrees to furnish each employee in the bargaining unit with a copy of all existing work rules as soon as they are printed and discussed with the local Union. New employees shall be provided with a copy of the rules at the time of hire.

- C. Enforcing. Employees shall comply with all reasonable rules that are not in conflict with the terms of this Agreement, provided the rules are uniformly applied and uniformly enforced. Any unresolved complaint as to the reasonableness of any new or existing rule, or any complaint involving discrimination in the application of new or existing rules, shall be resolved through the grievance procedure, during which time employee shall follow the rule.
- D. Job Descriptions. Job descriptions for each classification will be prepared within ninety (90) days of signing the contract. Any questions relative to job descriptions or lack of same shall be subject for special conference.

Section 6. Seasonal Employment. Any ten-month employee desiring to have summer employment may apply for posted summer positions. If an employee is denied a summer position, the reasons will be provided in writing upon request.

Section 7. Use of Facilities. The Association and its members shall have the privilege of using school building facilities for meetings outside of school hours on the same basis as other school organizations as established by District policy. The interschool mailing system shall be made available to the Association and its members.

Section 8. Legal Counsel. Upon request of an employee who is assaulted as a result of his/her school-connected duties, the Employer will provide preliminary legal counsel, but not representation.

Section 9. Separability and Savings Clause. If any provisions of the Agreement should be held invalid by operation of law or by any tribunal or competent jurisdiction or if compliance with or enforcement of any provision should be restrained by such tribunal pending a final determination as to its validity, the remainder of this Agreement, or the application of such provisions to persons or circumstances other than those as to which it has been held invalid or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.

In the event that any provision is held invalid or enforcement of or compliance with which has been restrained as above set forth, the parties affected thereby shall enter into immediate collective bargaining negotiations, upon request of the Union and/or Employer for the purpose of arriving at a mutually satisfactory replacement for such provision during the period of invalidity or restraint.

The Union shall indemnify and save the Employer harmless against any claims, demands, suits and other forms of liability, that may arise by reason of the Employer's complying with any of the provisions of this Agreement.

Section 10. Medical Exams. The Board reserves the right to require an employee to be examined by a District-selected physician at District expense for health and/or safety reasons or other reasonable cause. The employee shall not lose pay for missing work time or be required to use available leave time for absences caused by the District requiring the employee to undergo such examination. The employee at his/her option may choose to provide to the District the results of a medical examination by his/her own selected

physician, at his/her own expense. In the event that there is a dispute between the District's physician and the employee's physician, the employee shall be examined by a physician mutually selected by the District and Union, and if they cannot agree, then by a physician referred by Beaumont Hospital.

Section 11. Uniforms. Employees provided with uniforms by the District must wear and launder uniforms, unless laundry service is provided. During school recess periods, employees issued uniforms are subject to applicable department guidelines for appropriate dress. Employees not supplied uniforms are expected to dress appropriately. When an employee terminates employment, he/she shall be required to return all uniforms which include any Troy School District identification, and may be requested to return some or all uniforms to the District.

Section 12. Identification Badges. All Employees who are issued District identification badges must wear said badges so they are visible at all times while at work. If an employee changes job classification or location and his/her badge is outdated, it is his/her responsibility to contact the Human Resources Department to request an updated badge.

ARTICLE 21. Safety

The Employer shall be responsive to safety concerns raised by employees and shall maintain reasonably safe working conditions.

An Employee shall not be assigned to work in a hazardous area, not operate any vehicle or equipment that is in violation of any applicable statute or governmental regulation relating to the safety of persons or equipment.

Employees shall immediately, or at the end of their shift, report any operating defects related to the safe operation of their vehicle or equipment. Such reports shall be made in writing on a suitable form furnished by the Employer, a duplicate copy to be retained by the Employee.

Health Protection. In order to provide continuing health protection for students and other school personnel:

- A. Upon initial employment each employee may be required to provide by certification from a licensed physician evidence of:
 - 1. Such state of physical and mental health that he/she is able to attend to his/her assigned duties, without undue absence during the ensuing year.
 - 2. Freedom from active tuberculosis and other communicable diseases.
- B. When required by law, the employee will show evidence of his/her continued freedom from active tuberculosis by either tuberculin skin test or chest x-ray.
- C. Employees shall not be required to work under unsafe or hazardous conditions which endanger the health, safety or well-being of the employee as determined by applicable

Article 25. Food Service

Section 1. Days, Weeks and Hours of Work. A food service employee will work his/her posted hours on days when lunch is served in his/her school building, plus set-up/shutdown, and inservice days, as determined by the Food Services Director.

Section 2. Vacation. Food Service employees hired before June 30, 1995, with at least four years of service to the District will be paid one-week vacation time each year at the end of the school year.

Section 3. Absence Reporting. When a food service employee needs to be absent from a paid workday, he/she shall contact the Food Services Director at least one hour before the start of his/her shift.

Section 4. Floating Holiday. Each employee will be provided one floating holiday. Requests for this floating holiday shall be made at least two weeks in advance. The Employer shall approve or deny the floating holiday request at least one week in advance.

In lieu of using the floating holiday, an employee may request to be paid for the floating holiday. The Food Service Director may approve payment for the floating holiday. Employees wishing to be paid for the floating holiday shall notify the Food Service Director by Martin Luther King Day. If approved for payment, the pay for the floating holiday will be included in the payroll period that includes mid-winter recess. If not approved for payment, the employee shall be notified promptly.

Section 5. School Closing. On days when Troy School District schools are closed for students for weather, safety or other reasons, Food Service employees shall not report for work and may charge at his/her option the absence against his/her accumulated leave and be paid for the day if such leave time is available. When the District or a school building within the District is closed due to weather or an emergency, the District will announce the information through the local media. Employees who report for work when the District is closed due to weather conditions or an emergency shall not be eligible to receive minimum reporting pay.

Section 6. Overtime. Notwithstanding Section 1 (A), Food Service employees will be paid two dollars (\$2.00) per hour over their regular rate for all hours worked after 7:00 P.M. except on Saturday and Sunday. All work performed on Saturday will be paid at time and one-half. All work performed on Sunday will be paid at double time. All Food Service employees working ten (10) hours or more per week shall be eligible to work on banquets. The Food Service Director will select the cook manager to be in charge of the banquet on a rotating basis. The Food Service Director will rotate equally the opportunity for banquet work from the list of eligible Food Service employees.

If an employee is needed to begin his/her shift more than one hour before his/her scheduled reporting time on a regular workday, he/she shall be paid two dollars (\$2.00) over his/her rate for the entire time he/she worked prior to the start of his/her shift.

Section 7. Shifts. Work schedules in each cafeteria will be established showing the regular starting times and minimum number of hours. Assignments in each shift will be made in accordance with requirements for utilization of individuals in classifications.

Section 8. Break Periods. Food Service employees shall be entitled to a ten-minute rest period if working less than four hours. Food Service employees shall be entitled to a 15- (15) minute rest period during each one-half shift consisting of four hours.

Section 9. Uniforms. Food Service employees will be provided the uniform components identified below.

During school years that begin with even numbers each employee shall receive 2 pairs of pants, 2 shirts by October 15.

During school years that begin with odd numbers each employee shall receive 3 pairs of pants and 3 shirts by October 15.

Each June, employees will be provided with the specifications for shoes that shall be worn with their uniforms during the next school year. Shoes purchased by employees between July 1 and the August Food Services Department Meeting that meet the specification standards issued by the Food Services Director in June are eligible for reimbursement. Reimbursements shall be issued in September. A maximum of sixty (\$60.00) will be reimbursed every two years.

Food Service employees who leave employment must return pants and shirts to the Food Service Director.

Section 10. Inservice. All new Food Service employees may be required to take a class that meets the safety and sanitation guidelines issued by the Oakland County Health Department. New employees will receive their regular rate of pay for attendance in the class and the District will pay any fees involved for the employees to enroll in the class upon their successful completion of the class.

All Food Service employees may annually be required to take a class that meets the safety and sanitation guidelines issued by the Oakland County Health Department. Food Service employees will receive their regular rate of pay for attendance in the class and the District will pay any fees involved for the employees to enroll in the class upon their successful completion of the class.

Food Service employees who complete Level I of the School Nutrition Association of Michigan's Training Program for School Food Service Personnel shall receive a one-time stipend in the amount of two hundred fifty dollars (\$250.00). The District will pay the fees involved for an employee to enroll in the classes. It is understood that enrollment fees will be paid on a class-by-class basis and that an employee must complete a class before requesting fees be paid on his/her behalf to enroll in another, unless otherwise approved by the Food Services Director.

Food Service employees who complete Levels II – V of the School Nutrition Association of Michigan’s Training Program for School Food Service Personnel shall receive a one-time stipend in the amount of two hundred dollars (\$200.00) each time a level is completed. The District will pay the fees involved for an employee to enroll in the classes. It is understood that enrollment fees will be paid on a class-by-class basis and that an employee must complete a class before requesting fees be paid on his/her behalf to enroll in another, unless otherwise approved by the Food Services Director.

Section 11. Elementary Kitchen Leader. An elementary kitchen leader will be paid one hundred and twenty-five dollars (\$125) in the first paycheck in December, providing the kitchen operating procedures have been submitted to the Food Services Director by October 31, and an additional one hundred twenty-five (\$125) in the last paycheck in June. Such payments shall only be paid if the employee worked more than half the working days in the semester.

Section 12. Elementary Kitchen Support. When the cook helper is absent, an elementary kitchen support person (bargaining unit member) will be pulled from a secondary kitchen and assigned to the affected elementary kitchen. A substitute (non-bargaining unit member), if one is available, will be placed in the secondary kitchen vacancy. The elementary support person shall be paid \$2.00 per hour over his/her regular hourly wage. Elementary support positions shall be offered to all eligible food service workers (i.e., individuals not currently assigned to elementary kitchens). Training will be provided. A roster of elementary kitchen support persons will be maintained. Assignments to vacancies will be rotated, beginning with the most senior individual.

Article 26. Para-Educators

Section 1. Days, Weeks and Hours of Work. Para-educators shall be scheduled to work on days when school is in session for students and on the first teacher workday. A para-educator shall not be scheduled to work and be paid for any evening parent-teacher conference sessions, unless he/she receives permission in writing in advance from the Director for Special Education or his/her designee.

Section 2. Vacation. Para-educators shall receive one week after one year or two weeks after five years. Vacation time may not be taken on days when school is in session unless specific authorization is granted by the supervisor.

Section 3. Absence Reporting. When a para-educator needs to be absent from a paid workday, he/she shall contact the system-wide automated substitute caller at least one and one-half hours before the start of his/her shift.

Section 4. Floating Holiday. Para-educators shall receive one floating holiday annually. In lieu of using the floating holiday, an employee may request to be paid for the floating holiday. Employees wishing to be paid for the floating holiday shall notify the Special Education Director by Martin Luther King Day. If approved for payment, the pay for the floating holiday will be included in the payroll period that includes mid-winter recess. If not approved for payment the employee shall be notified promptly.

ARTICLE 29. Termination, Renewal and Modification

Section 1. This contract shall take effect as of July 1, 2006, and shall remain in force and effect through June 30, 2008. Sixty (60) days prior to the termination thereof as herein provided, either party may initiate negotiations for renewal and modification of a new contract.

IN WITNESS WHEREOF the parties have hereto set their hands and seals this day and year:

Executed at Troy, County of Oakland, State of Michigan, May 15, 2007.

TROY SCHOOL DISTRICT

**TROY EDUCATION SUPPORT
PERSONNEL ASSOCIATION/MEA/NEA**

Board of Education President

TESPA President

Board of Education Secretary

TESPA Vice President

TESPA Salary Schedule 2007-2008
Effective July 1, 2007 - June 30, 2008

OCCUPATIONAL GROUPS	Step 1	Step 2	Step 3	Step 4	Step 5	Long 1	Long 2	Long 3
Custodial								
MS Head Custodian	19.96	20.47	20.90	21.56	22.08	22.36	22.65	22.94
HS Asst. Head Custodian	19.95	20.47	20.90	21.56	22.08	22.36	22.65	22.94
Pool Operator	19.59	20.26	20.71	21.36	21.83	22.11	22.40	22.67
Van Driver	19.17	19.83	20.28	20.89	21.49	21.77	22.05	22.35
Elem Head Custodian	19.09	19.83	20.28	20.89	21.49	21.77	22.07	22.41
Administrative Center Custodian								
Service Center Custodian								
MS Asst. Head Custodian	19.08	19.83	20.28	20.89	21.49	21.77	22.07	22.41
Custodian I	18.20	18.82	19.36	19.95	20.52	20.82	21.10	21.41
Warehouse Worker								
Maintenance								
Foreman	25.73	26.38	27.01	27.51	28.15	28.46	28.77	29.07
Engineer	24.29	24.88	25.41	26.08	26.70	26.95	27.26	27.55
Head Mechanic	25.03	25.61	26.21	26.81	27.37	27.68	27.96	28.25
Skilled Trades (1)	23.89	24.46	25.06	25.66	26.21	26.52	26.81	27.09
Head Grounds	21.29	21.91	22.34	23.03	23.50	23.81	24.09	24.34
Semi-Skilled (2)	20.20	20.78	21.38	21.98	22.57	22.85	23.16	23.44
* Food Service								
Cooking Manager (3) (4)	11.11	11.64	12.22	12.76	13.31	13.57	13.81	14.07
Cook-Baker (3) (4)	10.48	10.74	11.01	11.25	11.52	11.70	11.89	12.10
Cook Helper (3) (4)	9.86	10.14	10.43	10.72	11.02	11.20	11.43	11.60
Transportation								
Bus Driver	17.98	18.55	19.17	19.83	19.99	20.25	20.50	20.75
Bus Monitor	12.06	12.30	12.59	12.82	13.10	13.36	13.59	13.83
Para-Educator								
Para-Educator	12.79	13.57	14.46	15.21	15.39	15.71	16.05	16.38
Campus Security								
HS Camus Aide	12.06	12.30	12.59	12.82	13.10	13.36	13.59	13.83
MS Campus Aide (5)	9.86	10.14	10.43	10.72	11.02	11.20	11.44	11.60
Bilingual/ELL Para-Educator								
Para-educator	11.74	12.64	13.31	14.21	15.12	15.38	15.75	16.08

1. Same duties as semi-skilled but with Journeyman's rating or equivalent

2. Painter, mechanical helpers, general grounds

3. Larson and Boulton Cook Managers with responsibility elementary service and commissary staff (currently at Athens) shall receive \$0.10 over rate

*4. Individuals hired on or before June 30, 1992 shall receive \$2.91 per hour more than the stated rate for cook manager, \$2.84 per hour more for cook baker and \$2.79 per hour more than cook helper.

5. The salary schedule shown is for middle school campus aides hired after 4/30/99. Middle school campus aides hired on or before 4/30/99 shall follow the salary schedule for high school campus aides.

**Letter of Agreement
Between the Troy School District
And the Troy Support Personnel Association/MEA/NEA**

Re: Food Services Department Silver Spoon Incentive

The parties agree to the following terms and conditions.

Yvonne Wojdacki was receiving the Silver Spoon inservice incentive since June 30, 1998. The incentive is \$1.25 per pay period. She shall continue to receive that amount in each pay period for as long as she is actively employed in the Food Services Department.

For the District

For the Association

**Maureen E. Kelly
Assistant Superintendent
Human Resources**

**Harry Sahourieh
President
TESPA**

Date: May 9, 2007

**Letter of Agreement
Between the Troy School District
and the Troy Educational Support Personnel
Association/MEA/NEA**

**RE: Vacation Days for Food Service Employees
Hired on or After July 1, 1995**

The parties agree to the following terms and conditions with respect to providing paid vacation time to Food Service employees hired on or after July 1, 1995. This Letter of Agreement is only enforceable if the previous year's audit shows that the Food Service Program has a fund balance of \$100,000.

1. In order to be eligible to receive paid vacation time, the food service employee must have been employed a minimum of one year in the Food Service Department.
2. In order to sell a maximum of two leave days at the employee's current wage rate for vacation pay, an employee must have a minimum of ten days in his/her accumulated leave bank at the end of the school year.
3. In order to sell a maximum of five leave days at the employee's current wage rate for vacation pay, an employee must have a minimum of forty (40) days in his/her accumulated leave bank at the end of the school year.
4. Payment to the employee will be made no later than the last pay of the current fiscal year.
5. This Letter of Agreement shall be applicable for the 2006-2007 school year if a tentative agreement is reached on or before June 1, 2007 and the parties ratify said tentative agreement prior to June 30, 2007. Further, said Letter of Agreement shall expire on June 30, 2008.

FOR THE DISTRICT

FOR THE ASSOCIATION

Maureen E. Kelly
Asst. Supt., Human Resources

Harry Sahourieh
President

Date: May 9, 2007

**Letter of Agreement
Between the Troy School District
and the Troy Educational Support Personnel
Association/MEA/NEA**

Re: Labor Day Holiday for Food Service/Transportation/Para-Educator/ELL Para-educator/Campus Security Employees

The parties agree to provide employees in the above-captioned occupational groups with holiday pay for the Labor Day holiday providing they report for work and work on the first scheduled work day immediately after the Labor Day holiday or are approved for the use of accumulated leave on that first scheduled work day.

For the District

For the Association

Maureen E. Kelly
Assistant Superintendent
Human Resources

Harry Sahourieh
President

Date: May 9, 2007

Plan A: Self-funded Plan (administered by AmeraPlan or comparable)

Out-of-network benefit payments are based on reasonable and customary fee schedule. The District will provide the Preferred Provider of Michigan (PPOM) Network or a comparable network.

Pre-Certification and Extended Stay Review(taken care of by doctor): Call Ameraplan at 1 800 221-4254. (Ameraplan may be substituted with another third-party administrator)

Prescription Drug Benefits: Express Scripts or comparable Two-Tier Plan GENERIC/BRAND \$10/\$20 with:

\$20 copay for each brand name drug

\$10 copay for each generic drug (including birth control pills)

Mail Order Prescription Drugs: Express Scripts, or comparable

\$10 generic drug; 90-day supply

\$20 brand name drug; 90-day supply

Physician's Office Visits:

\$10 copay inside network; then payable at 100%

20% copay outside network

PLAN A : Self-Funded Plan (administered by AmeraPlan or comparable)

	NETWORK PROVIDERS	NON-NETWORK PROVIDERS
MAXIMUM LIFETIME BENEFIT AMOUNT	\$1,000,000	
DEDUCTIBLE, PER CALENDAR YEAR		
Per Covered Person	N/A	\$100
Per Family Unit	N/A	\$200 or two persons
COINSURANCE	100%	80%
COPAYMENTS		
Physician visits	\$10.00	N/A
MAXIMUM OUT-OF-POCKET AMOUNT, PER CALENDAR YEAR		
Per Family Unit	N/A	\$1,000
The Plan will pay the designated percentage of Covered Charges until out-of-pocket amounts are reached, at which time the Plan will pay 100% of the remainder of Covered Charges for the rest of the Calendar Year unless stated otherwise.		
The following charges do not apply toward the out-of-pocket maximum and are never paid at 100%. <ul style="list-style-type: none">• Deductible(s)• Cost containment penalties• Copayments• Outpatient mental health charges		
COVERED SERVICES	NETWORK PROVIDERS	NON-NETWORK PROVIDERS
Hospital Services *		
Room and Board	100% the semiprivate room rate	100% of Reasonable and Customary Charges the semiprivate room rate

Intensive Care Unit	100% Hospital’s ICU Charge	100% of Reasonable and Customary Charges Hospital’s ICU Charge
Emergency Room (co-pay)	\$25 co-payment (waived if admitted or for accidental injury)	\$25 co-payment (waived if admitted or for accidental injury)
Urgent Care (co-pay)	\$10 co-payment (waived if admitted or for accidental injury)	80% of the approved amount, after deductible
Skilled Nursing Facility	100% the facility’s semiprivate room rate within 14 days of a Hospital admission	100% of Reasonable and Customary Charges the facility’s semiprivate room rate within 14 days of a Hospital admission
	730 days combined per Calendar Year maximum Renew when patient is out of the Hospital or Facility for 60 days	
Physician Services		
Inpatient visits	100%	100% of Reasonable and Customary Charges
Office visits (Routine office visits are not covered)	100% after \$10.00 copayment per visit	80% of Reasonable and Customary Charges
COVERED SERVICES	NETWORK PROVIDERS	NON-NETWORK PROVIDERS
Surgery	100%	100% of Reasonable and Customary Charges
Allergy testing	100%	80% of Reasonable and Customary Charges after deductible and coinsurance
Allergy serum and injections	100%	80% of Reasonable and Customary Charges after deductible and coinsurance
Home Health Care	100%	100% of Reasonable and Customary Charges
	30 days combined per Calendar Year maximum	
Inpatient Prescription Drugs	100%	80% of Reasonable and Customary Charges after deductible and coinsurance
Outpatient Private Duty Nursing	100%	80% of Reasonable and Customary Charges after deductible and coinsurance
Hospice Care	100%	100% of Reasonable and Customary Charges
	\$5,000 combined inpatient and outpatient Lifetime maximum	
Ambulance Service	100%	80% of Reasonable and Customary Charges after deductible and coinsurance
Jaw Joint/TMJ	100%	80% of Reasonable and Customary Charges after deductible and coinsurance

	\$450 combined per Lifetime maximum	
Occupational Therapy	100%	80% of Reasonable and Customary Charges after deductible and coinsurance
Speech Therapy	100%	80% of Reasonable and Customary Charges after deductible and coinsurance
Physical Therapy	100%	80% of Reasonable and Customary Charges after deductible and coinsurance
Durable Medical Equipment	100%	80% of Reasonable and Customary Charges after deductible and coinsurance
Prosthetics	100%	80% of Reasonable and Customary Charges after deductible and coinsurance
Orthotics	100%	80% of Reasonable and Customary Charges after deductible and coinsurance
Spinal Manipulation Chiropractic	100% after \$10 office visit co-payment, up to 39 visits per calendar year	80% of Reasonable and Customary Charges after deductible and coinsurance
Mental Disorders		
COVERED SERVICES	NETWORK PROVIDERS	NON-NETWORK PROVIDERS
Inpatient	100%	100% of Reasonable and Customary Charges
	45 days combined per Calendar Year maximum	
Outpatient	75%	75% of Reasonable and Customary Charges
	45 days combined per Calendar Year maximum	
Substance Abuse		
Inpatient	100%	100% of Reasonable and Customary Charges
	45 days combined per Calendar Year maximum	
Outpatient	100%	100% of Reasonable and Customary Charges
	35 days combined per Calendar Year maximum 140 visits combined per Lifetime maximum	
Preventive Care		
Routine Well Adult Care (Cancer Screenings, does not include office visits)	100%, not subject to office visit copayment	80% of Reasonable and Customary Charges after deductible and coinsurance
Includes: pap smear, mammogram, prostate screening, gynecological exam, colon and rectum.		
Frequency limits for mammogram Ages 35 – 39. One baseline mammogram Ages 40 – 49 One every two years Ages 50 and over One mammogram per Calendar Year		
Inpatient Routine Well Newborn Care	100% after \$10.00 copayment	80% of Reasonable and Customary Charges after deductible and coinsurance
Routine Well Child Care (Does not include office visits)	100%	80% of Reasonable and Customary Charges

Includes: Immunizations and injections.		
Organ Transplants	100%	80% of Reasonable and Customary Charges
	\$1,000,000 for each type of transplant per Lifetime maximum	
Medical Weight Loss (Only for Morbid Obesity)	100% Plan covers up to \$625	80% of Reasonable and Customary Charges after deductible and coinsurance Plan covers up to \$625
Pregnancy	100%	80% of Reasonable and Customary Charges

* Benefit period is the time a covered person is in a hospital or skilled nursing facility. The benefit period renews each time a covered person has been out of a hospital or skilled nursing facility for a period of 60 days.

ATTACHMENT B

CASH IN LIEU OF COMMODITIES
SUPPLEMENTAL INFORMATION

Procedures for Cash in Lieu of Commodities

The Troy School District has been a pilot site, and is now grandfathered, to receive Cash in Lieu of the commodities that are afforded all school lunch programs participating in the National School Lunch Program.

A summary of the procedures are as follows:

- Entitlement funds are mailed in four payments each year, based on the previous year's participation
- Commodity Letters of Credit are mailed periodically that will indicate the food item that needs to be purchased and will also include:
 - The dollar amount of the entitlement
 - The date that it must be purchased by
 - The date that it must be delivered by
 - The acceptable by-products of the item listed

Note: See attached sample of CLOC document

Food and Nutrition Service
U.S. Department of Agriculture
Commodity Donation Demonstration

CLOC No.: E-250-094-28

Date of Issue: 10/01/07

Commodity Letter of Credit

for the purchase of:

STRAWBERRIES

Issued to:

TROY SCHOOL DISTRICT

in the amount of:

\$579

✓
4/28

To be purchased no later than:

03/31/08

To be delivered no later than:

06/30/08

You are authorized to purchase this commodity in amounts up to the dollar limit noted above. On receipt of a satisfactory proof of purchase, your Account will be credited for the amount of the purchase or that part of the purchase meeting the requirements noted below.

Full credit, up to the limit noted above, will be made on the following products:

FRESH STRAWBERRIES

FROZEN STRAWBERRIES

Partial credit will be given for some processed products. The amount of credit allowed for such end products will be a preassigned percentage of total product cost. This percentage will be the ratio of: 1) the weight of commodity removed from the market per district dollar spent and 2) the weight of commodity removed per U.S. Department of Agriculture dollar spent.

To qualify for credit, the product must be composed only of targeted commodities produced in the United States. All products shall be processed, packaged and delivered in accordance with regulations of the U.S. Department of Agriculture and requirements of the Federal Food, Drug and Cosmetics Act and regulations stated therein.

For further information regarding the proper use of Commodity Letters of Credit, call the Commodity Donation Study at (800) 204-9718 between the hours of 9:00 A.M. and 2:00 P.M. (Eastern Time Zone), Monday through Friday.

This Is Not Negotiable

ATTACHMENT C

TROY SCHOOL DISTRICT WELLNESS POLICY

J-3305 WELLNESS POLICY

The Troy School District is committed to creating a healthy school environment with established goals for nutrition education, physical activity, and other school-based activities that are designed to promote student wellness, enhance the development of lifelong wellness practices, and support student achievement by promoting healthy eating and physical fitness.

Draft: May 9, 2006

ATTACHMENT D

TROY SCHOOL DISTRICT STUDENT LUNCH SCHEDULES

Troy School District Food Service Serving Times

School	Serving Start Time	Serving End Time
Athens High School	10:40	12:20
Troy High	10:40	12:20
IA East Academy – Block Schedule	10:40 12:15	11:20 12:55
Baker Middle School	11:15	12:40
Boulan Park Middle School	11:20	12:40
Larson Middle School	11:15	12:40
Smith Middle School	11:15	12:40
Barnard Elementary	11:20	12:15
Bemis Elementary	11:45	12:35
Costello Elementary	11:45	12:10
Hamilton Elementary	11:15	12:30
Hill Elementary	11:00	12:45
Leonard Elementary	11:10	12:30
Martell Elementary	11:55	12:20
Morse Elementary	11:15	12:25
Schroeder Elementary	11:00	12:30
Troy Union Elementary	10:45	12:25
Wass Elementary	11:45	12:20
Wattles Elementary	11:45	12:20

ATTACHMENT E

TROY SCHOOL DISTRICT ENROLLMENT PROJECTIONS

ENROLLMENT PROJECTIONS: ELEMENTARY

	KIND	1ST	2ND	3RD	4TH	5TH	TOTAL	SP ED	TOTAL
2008/2009	812	849	835	846	847	927	5116	114	5230
2009/2010									
HIGH	787	861	883	868	880	872	5151	115	5266
AVERAGE	749	853	874	860	871	864	5071	113	5184
LOW	710	844	866	852	863	855	4990	111	5101
2010/2011									
HIGH	753	834	895	918	903	906	5209	116	5325
AVERAGE	717	786	879	900	886	888	5056	112	5168
LOW	680	738	861	883	869	872	4903	109	5012
2011/2012									
HIGH	741	798	867	931	955	930	5222	116	5338
AVERAGE	705	753	810	905	927	904	5004	111	5115
LOW	669	707	753	878	901	878	4786	106	4892
2012/2013									
HIGH	739	785	830	902	968	984	5208	116	5324
AVERAGE	703	740	776	834	932	946	4931	110	5041
LOW	668	696	721	768	896	910	4659	104	4763
2013/2014									
HIGH	736	783	816	863	938	997	5133	114	5247
AVERAGE	701	738	762	799	859	951	4810	107	4917
LOW	664	695	710	735	783	905	4492	100	4592

ENROLLMENT PROJECTIONS: MIDDLE SCHOOLS

	6TH	7TH	8TH	TOTAL	SP ED	TOTAL
2008/2009	898	918	938	2754	31	2787
2009/2010						
HIGH	964	934	946	2844	34	2878
AVERAGE	955	925	936	2816	34	2850
LOW	946	916	927	2789	33	2822
2010/2011						
HIGH	907	1003	962	2872	34	2906
AVERAGE	890	984	944	2818	34	2852
LOW	872	965	925	2762	33	2795
2011/2012						
HIGH	942	943	1033	2918	35	2953
AVERAGE	915	917	1004	2836	34	2870
LOW	889	889	975	2753	33	2786
2012/2013						
HIGH	967	980	971	2918	35	2953
AVERAGE	931	942	935	2808	34	2842
LOW	896	907	898	2701	32	2733
2013/2014						
HIGH	1023	1006	1009	3038	36	3074
AVERAGE	974	959	961	2894	35	2929
LOW	928	914	916	2758	33	2791

ENROLLMENT PROJECTIONS: HIGH SCHOOLS

	9TH	10TH	11TH	12TH	TOTAL	SP ED	TOTAL
2008/2009	1004	945	1052	1084	4085	58	4143
2009/2010							
HIGH	1004	1024	973	1126	4127	59	4186
AVERAGE	994	1014	964	1115	4087	58	4145
LOW	985	1004	954	1105	4048	57	4105
2010/2011							
HIGH	1012	1024	1055	1041	4132	59	4191
AVERAGE	992	1004	1034	1022	4052	58	4110
LOW	973	985	1014	1002	3974	56	4030
2011/2012							
HIGH	1029	1032	1055	1129	4245	60	4305
AVERAGE	1001	1002	1024	1096	4123	59	4182
LOW	971	973	995	1065	4004	57	4061
2012/2013							
HIGH	1105	1050	1063	1129	4347	62	4409
AVERAGE	1064	1011	1022	1085	4182	59	4241
LOW	1024	971	983	1045	4023	57	4080
2013/2014							
HIGH	1039	1127	1082	1137	4385	62	4447
AVERAGE	991	1075	1031	1083	4180	59	4239
LOW	943	1024	981	1032	3980	57	4037

ENROLLMENT PROJECTIONS: HIGH SCHOOLS

	9TH	10TH	11TH	12TH	TOTAL	SP ED	IAE/SOC	TOTAL
2008/2009	1004	945	1052	1084	4085	58		4143
2009/2010								
HIGH	1004	1024	973	1126	4127	59	35	4221
AVERAGE	994	1014	964	1115	4087	58	35	4180
LOW	985	1004	954	1105	4048	57	35	4140
2010/2011								
HIGH	1012	1024	1055	1041	4132	59	70	4261
AVERAGE	992	1004	1034	1022	4052	58	70	4180
LOW	973	985	1014	1002	3974	56	70	4100
2011/2012								
HIGH	1029	1032	1055	1129	4245	60	105	4410
AVERAGE	1001	1002	1024	1096	4123	59	105	4287
LOW	971	973	995	1065	4004	57	105	4166
2012/2013								
HIGH	1105	1050	1063	1129	4347	62	105	4514
AVERAGE	1064	1011	1022	1085	4182	59	105	4346
LOW	1024	971	983	1045	4023	57	105	4185
2013/2014								
HIGH	1039	1127	1082	1137	4385	62	105	4552
AVERAGE	991	1075	1031	1083	4180	59	105	4344
LOW	943	1024	981	1032	3980	57	105	4142

ATTACHMENT F

TROY SCHOOL DISTRICT
SCHOOL MEAL PROGRAM CLAIM OVERVIEW
NOVEMBER 2008

School Meals Program - Claim Overview

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School Meals Program Claims System

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User Management | Help

CLAIM OVERVIEW

Sponsor: 63150 TROY SCHOOL
DISTRICTFiscal Year: 2009 (October 1, 2008 - September
30, 2009)

You may certify this claim

Claim Month: November

Claim Totals

Last Certified On: Not Certified Certified By: (Not Certified)

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Number Of School(s)	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	59564	48462	8769	2333	18	767	206	11443

Site Selection

Site:

ATHENS HIGH SCHOOL (631506393)



Enter/Edit

Check Site Status

Add a Site

ATHENS HIGH SCHOOL (631506393)

Last Edit On: Dec 12 2008 1:21PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	5210	3728	1240	242	16	108	24	1766
Enter/Edit Site Data								

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BAKER MIDDLE SCHOOL (631500174)

Last Edit On: Dec 12 2008 1:22PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	4630	3396	885	349	15	81	26	753
Enter/Edit Site Data								

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BARNARD ELEMENTARY SCHOOL (631506941)

Last Edit On: Dec 12 2008 1:23PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
							Reduced	

School Meals Program - Claim Overview

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						Free	Price	
Lunch	2774	2140	511	123	15	41	11	460
Enter/Edit Site Data								

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BEMIS ELEMENTARY SCHOOL (631506940)

Last Edit On: Dec 12 2008 1:24PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	3241	2972	196	73	15	16	6	470
Enter/Edit Site Data								

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BOULAN PARK MIDDLE SCHOOL (631506367)

Last Edit On: Dec 12 2008 1:24PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	4507	4029	287	191	15	25	16	750
Enter/Edit Site Data								

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COSTELLO ELEMENTARY SCHOOL (631506364)

Last Edit On: Dec 12 2008 1:25PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	2177	1946	213	18	15	19	3	323
Enter/Edit Site Data								

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HAMILTON ELEMENTARY SCHOOL (631503715)

Last Edit On: Dec 12 2008 1:25PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	2596	2295	218	83	15	16	6	380
Enter/Edit Site Data								

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HILL ELEMENTARY SCHOOL (631505163)

Last Edit On: Dec 12 2008 1:26PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	1849	1527	277	45	15	25	3	310

School Meals Program - Claim Overview

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LARSON MIDDLE SCHOOL (631506366)

Last Edit On: Dec 12 2008 1:27PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	3940	3383	432	125	15	36	12	713

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LEONARD ELEMENTARY SCHOOL (631502161)

Last Edit On: Dec 12 2008 1:27PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	2669	2428	220	21	15	19	4	446

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MARTELL ELEMENTARY SCHOOL (631506365)

Last Edit On: Dec 12 2008 1:28PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	2234	2005	145	84	15	14	8	340

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MORSE ELEMENTARY SCHOOL (631502618)

Last Edit On: Dec 12 2008 1:28PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	2954	1936	864	154	15	69	12	385

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SCHROEDER ELEMENTARY SCHOOL (631506124)

Last Edit On: Dec 12 2008 1:29PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	2656	2566	76	14	15	8	1	449

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School Meals Program - Claim Overview

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SMITH MIDDLE SCHOOL (631505413)

Last Edit On: Dec 12 2008 1:29PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	3497	2678	640	179	15	55	14	690
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TROY HIGH SCHOOL (631504226)

Last Edit On: Dec 12 2008 1:29PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	6643	5524	949	170	16	98	18	2001
Enter/Edit Site Data								

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TROY UNION ELEMENTARY SCHOOL (631504227)

Last Edit On: Dec 12 2008 1:30PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	3242	2390	568	284	15	51	24	459
Enter/Edit Site Data								

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WASS ELEMENTARY SCHOOL (631506939)

Last Edit On: Dec 12 2008 1:30PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	2207	1699	419	89	15	35	10	379
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WATTLES ELEMENTARY SCHOOL (631505537)

Last Edit On: Dec 12 2008 1:31PM

Meal Type	Total Servings	Total Paid	Total Free	Total Reduced	Days Served	Number of Eligible Students		Student Enrollment
						Free	Reduced Price	
Lunch	2538	1820	629	89	15	51	8	369
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Troy School District

Food Service Management Services

RFP 9597

	Sodexo	Aramark	Chartwells
1,127,081 Equivalent Meals Per Year			
Food Cost	1,062,868.96	1,056,082.98	1,143,944.00
Labor	615,474.92	792,401.00	850,579.00
Fringe Benefits	184,556.54	299,034.00	276,903.00
On-Site Manager Salary and Benefits	197,422.62	198,956.00	246,675.00
Non-Food Cost	246,720.55	160,362.40	136,205.00
Other	10,311.90	11,660.00	109,300.00
FSMC Administrative Cost	129,614.32	140,885.13	158,000.00
FSMC Management Fee	146,520.53	39,447.84	39,448.00
Total Cost	\$ 2,593,490.34	\$ 2,698,829.35	\$ 2,961,054.00
Bid Price Per Meal	2.30	2.395	2.63