



DPSCD COMMUNITY ENGAGEMENT SESSION

WE WILL
BECAUSE **WE CAN**

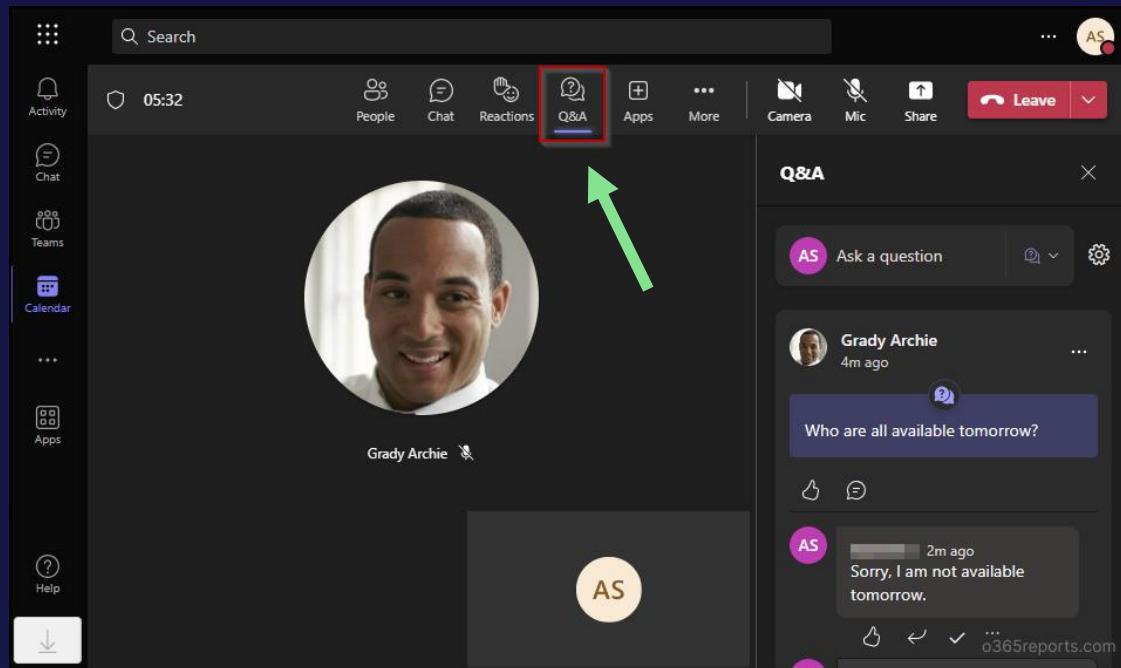
Welcome

- In today's meeting we will provide an overview of the following:
 - Procurement & Contracting
 - The District's Custodian & Maintenance Contracts
 - Proposal S Operating Millage
 - General Topics
- Q&A



Submit Questions

- If you have questions during today's presentation, please submit them using the 'Q&A' button at the top of your screen





PROCUREMENT AND CONTRACTING

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What Do We Procure?

Each year, Procurement issues more than 18,000 purchase orders for materials, goods, and services to support our students, families and staff.

Student Programs & Instruction

Tutoring, after-school & summer programming, athletics, mentoring, academic enrichment, professional development, textbooks, online curriculum

Transportation, Supplies, & Field Trips

Student transportation, classroom and office supplies, fieldtrip transportation and admissions, student event venues

Facilities & Building Maintenance

Custodial services, building maintenance & repairs (HVAC, plumbing, roofing, elevators, etc.) grounds maintenance, waste management

Technology & Telecommunications

IT professional services, student and staff devices (laptops, classroom technology) internet and connectivity services, security systems, technology infrastructure

Health, Wellness, and ESE Services

Mental health services, nursing services, Health Hubs, ESE ancillary support services (psychologists, speech pathologists, occupational and physical therapists, etc.)

Professional & Business Services

Audit services, staffing support, legal, insurance, architecture & engineering, construction management, environmental assessment, printing, marketing

Procurement Guidelines



Everything that DPSCD purchases must comply with legal requirements and School Board Policy.

Federal & State Statutes

- Michigan Revised School Code
- State School Aid Act
- Uniform Federal Guidance

School Board Policies

- Policy 6320 (Purchasing)
- Policy 6325 (Federal Grants/Funds)
- Policy 1130 (Conflict of Interest)

The Procurement Cycle

Every purchase moves through three stages, from budgeting the need to issuing the purchase order.

Schools and Departments

Budget

- Determine needs based off of strategic plan gaps from previous year, Superintendent/Board directives, and other District priorities
- Determine estimated costs vs. budget allocation



Procurement Department

Procure

- Schools/Departments Initiate the process by submitting a requisition
- Procurement team follows established procedures
- As applicable, prepare documentation based on cost for review and approval



General Counsel, Superintendent

Contract

- Verify documentation is complete and conforms with legal requirements
- Approve contract amounts and vendor agreements
- Procurement issues the purchase order

Purchase Thresholds

What and how much DPSCD purchases determines the purchasing method required by law and Board Policy.

Goods and Materials*

Under \$10,000

- One quote is required

Between \$10,000 and \$31,321⁺

- A minimum of 3 quotes are required

Over \$31,321⁺

- An RFP or RFQ must be conducted

Services**

Under \$10,000

- One quote is required

Between \$10,000 and \$100,000

- A minimum of 3 quotes are required

Over \$100,000

- An RFP or RFQ must be conducted

Any purchase over \$250,000 must be reviewed and approved by the School Board before it can be completed.

+State bid threshold, updated annually

*Classroom supplies, textbooks, laptops, etc.

**Afterschool programming, tutoring, nursing, transportation, custodial, etc.

How We Ask Companies to Bid



DPSCD uses multiple sources to publicly source the items/services it needs to buy.

Items Below Bid Threshold

Requests formal quotes from DPSCD's internal supplier database and potential vendors from quarterly engagement sessions

- Suppliers solicited by K-12 expertise
- Schools and departments can recommend companies

Items Requiring an RFP/RFQ

Requests are posted publicly via DemandStar

- A national platform for government and school district bids
- Companies opt in to receive DPSCD or K-12 notifications

District notifies potential vendors to participate in the posted RFP/RFQ

Competitive Solicitations

The District uses four types of competitive solicitations, depending on what it needs to know.

Request for Information

A Request for Information (RFI) collects written information about the capabilities of various suppliers. It is used when a good or service is new to the District or there is uncertainty around it.

Request for Quote

A Request for Quote (RFQ) asks vendors for the price of specific products or services. It is used when the details of what is needed are already known and the main focus is finding the best price.

Request for Proposal

A Request for Proposal (RFP) asks vendors to submit plans and pricing for a specific project or service. It outlines goals, requirements, and evaluation criteria so the District can compare proposals and choose the best option.

Cooperative Agreement

State and federal statute allow school districts to buy goods and services through cooperative agreements — contracts already competitively bid by another government agency or purchasing cooperative. These arrangements deliver greater economies of scale and cost efficiency.

Detail of Steps: DemandStar to Contract



Key steps for vendors, from RFP questions through a fully executed contract.

1

- Determine scope of services needed
- Post RFP/RFQ for up to 21 days, facilitate pre-bid meetings, and respond to any vendor questions

2

- Convene DPSCD Evaluation Committee (school-based staff and central office content experts)
- Review proposals and engage vendors in interviews, reference checks, and follow-up calls

3

- DPSCD notifies vendor of District's intent and negotiates final contract with DPSCD Legal Team
- Contracts over \$250,000 are reviewed and approved by the School Board

4

- District provides the vendor a fully executed contract and purchase order
- All contracts are posted to District's Public Transparency website

***Contracts below the Board approval threshold can be approved in less than 60 days.
Contracts requiring Board approval can take up to 120 days.***

Evaluating an RFP

The District evaluates all RFPs according to the criteria below.

Responsiveness to Proposal

Engaged in discussions with Procurement staff
Asks detailed questions to fully and accurately understand scope
Provides a detailed proposal that aligns with scope requirements and requests

Firm's Capability and Past Performance

The District evaluation team reviews vendors capabilities as outlined in the response, resumes and expertise of staff or quality of goods proposed, past performance with the District or other K-12 institutions.

Pricing

All pricing parameters are analyzed and included in a comparison matrix that assesses the value the vendor will provide to DPSCD's students, families and staff.

While considering price, final vendor selection is based on the overall highest scoring and best value for the District.

Growing Our Supplier Base



DPSCD makes every effort to build a broad supplier base that includes Detroit-based, minority-owned, and women-owned businesses.

Supplier Database

Procurement leverages the District's internal supplier database to expand reach and invite more qualified vendors to every solicitation. The District hosts public Pre-Bid engagement sessions to review upcoming RFPs and answer questions from potential vendors..

Quarterly Sessions

Quarterly community engagement sessions introduce new companies to DPSCD, show how to register, and preview upcoming opportunities.

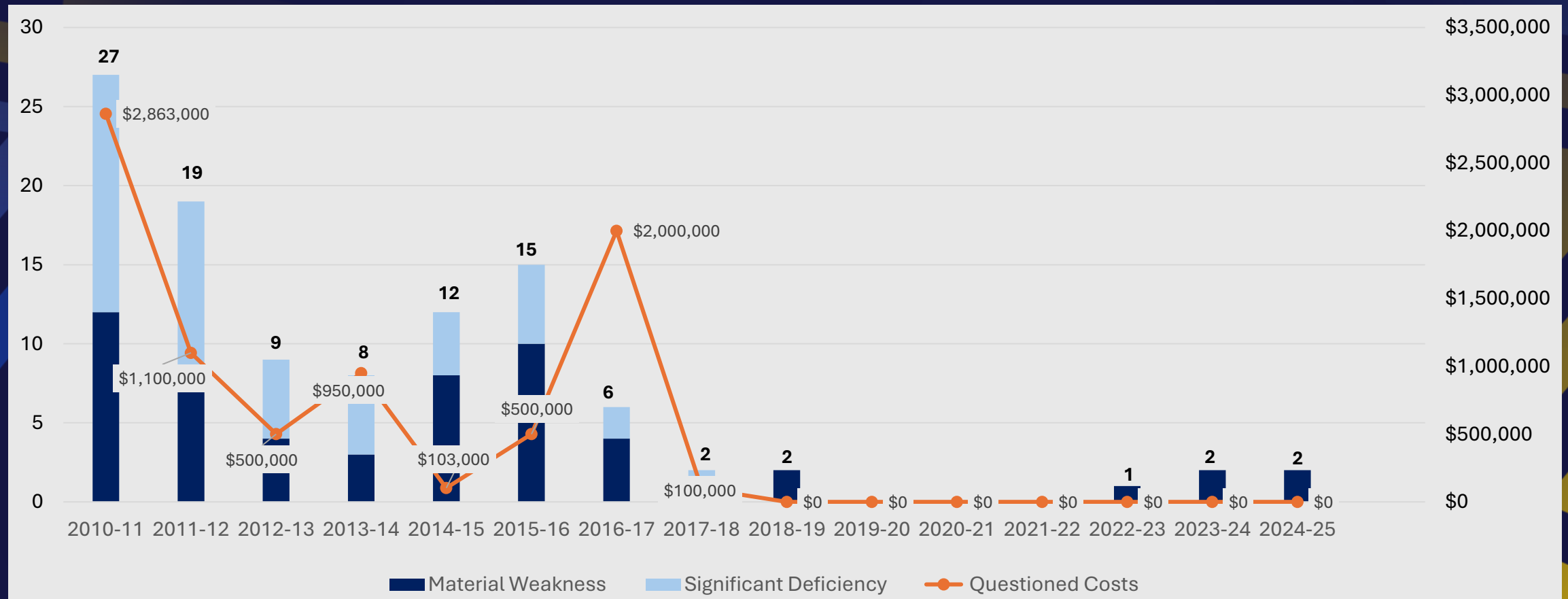
Policy 6325.1

A broad supplier base is District policy — Detroit-based, minority-owned, and women-owned businesses are actively included in outreach.

DPS/DPSCD Financial Audit Results



In FY 25 DPSCD had 2 audit findings and \$0 in questioned costs. DPS had 1 audit finding.





CUSTODIAN & MAINTENANCE CONTRACTS

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Two divisions, two different jobs



FACILITY MANAGEMENT

Keeps existing buildings running, every single day

- Custodial staffing & daily cleaning
- Licensed engineering & HVAC monitoring of existing systems
- Preventative & corrective repairs
- Work order management (CMMS)
- Seasonal readiness planning
- Funded by General Fund

3 contracted vendors • \$180,019,803 not-to-exceed • 2-year term

CAPITAL PROJECTS

Builds, rebuilds, and modernizes facilities

- Used to address major one-time infrastructure needs
- New construction & building additions
- New HVAC / air conditioning system installation
- Athletic fields, pools & site redevelopment
- Multi-year construction & design contracts
- Funded through Capital Funds

\$1,009,000,000 Facility Master Plan • Board Approved Surplus Funding • Separate contracts & vendors

Two Separate Budgets

Dollars approved for facility management must be used to cover custodial, engineering, & maintenance staffing while the Capital Project budget funds new construction, building additions, and new HVAC/AC systems.

\$180,019,803

Facility Management (GDI + RNA + ABM)

Board-approved a two-year not-to-exceed total · covers custodial, engineering & maintenance staffing, and parts and materials across 124 buildings through June 30, 2028. Contract also includes management fees and profit payable only if KPI's are met.

\$1,009,000,000

Facility Master Plan + Capital Projects

Separate, multi-year capital budget · funds new construction, building additions, roofing, paving, fencing, elevators, athletic fields, and new HVAC/AC system installation District-wide.

What Does a Facility Management Company Do?

Three core services keep every school building safe, clean, and running smoothly:



Custodial

Service: Cleaning classrooms, hallways, cafeterias, and restrooms.

Goal: Keeping buildings sanitary and presentable every day.



Engineering

Service: Maintaining and operating building systems such as heating, cooling, ventilation, plumbing, and electrical.

Goal: Schools stay comfortable and functional.



Trades

Service: Handling repairs and upkeep such as carpentry, painting, locksmithing, and more.

Goal: Fix small issues before they become big ones.

In short: a facility management company is contracted to keep school buildings clean, safe, comfortable, and in good working order so students and staff can focus on teaching and learning.

Three Contracts



Facilities Management Companies are responsible for overseeing building maintenance, custodial services, engineering operations, preventative maintenance, and emergency response to ensure our schools remain safe, clean, functional, and well-maintained for students, staff, and the community. Vendors subcontract Detroit-based business as well.

Two-Year Contract Amount

Percentage of Employees
Who Reside in Detroit

ABM

\$62,926,674

79%

RNA

\$34,646,126

79%

GDI

\$82,417,002

77%

District Cost to Insource Custodial Services : \$53,128,515,
Cost to Insource full services \$242,966,008 - increase of 26%

Three Contracts

The facility vendor contracts are broken into major categories

Cost Category	ABM	GDI	RNA
Labor & Daily Operations	80%	81%	76%
Profit <i>(only if KPIs are met)</i>	3%	2.5%	5%
Parts & Materials	8%	7.5%	10%
Contingency	9%	9%	9%

What These Categories Mean

Labor & Daily Operations: Wages and day-to-day costs for the on-site staff who perform custodial, engineering, and trades work.

Profit: The margin the provider earns for delivering the contracted services – payable only if KPIs are met.

Parts & Materials: Supplies and equipment needed to maintain, repair, and operate school buildings.

Contingency: A reserve set aside for unexpected costs or changes in scope during the contract such as floods.

Accountability for School Cleanliness



Vendor Compliance – Crowd Comfort Program

The Facility Management providers use CrowdComfort, a task tracking system, to record completion of cleaning tasks by room/area in real time.

District Level Progress Monitoring

Beginning this school year, Custodial Compliance Officers are assigned to each cohort of buildings to conduct weekly custodian. The role of the Compliance Officers is to supervise and verify vendor work directly. Survey data monitors both task completion and accuracy against the cleanliness standard, while regular vendor meetings serve as check-ins between the District and each provider. Scheduled facility walkthroughs are also conducted daily.

Weekly Principal Cleanliness Surveys

Each week, principals conduct a walkthrough of their building and complete a cleanliness feedback survey. The data collected is shared with the District's compliance officers to monitor the custodial cleanliness and address any issues or concerns. KPI data is calculated based on scores.

School Community & Visitor Reports

Restroom cleanliness posters with a hotline number are posted in lavatories throughout schools. The poster is intended to provide students, staff, and visitors with a direct way to report restroom cleanliness and supply issues so the Operations team can respond quickly and maintain safe, clean, and fully stocked bathrooms. Reports may also be made to the building principal.



Multiple Vendors for Flexibility & Reaching Aspired Outcomes



1

Distinct assignments, not overlapping work

Each vendor is assigned its own set of buildings (or fields). GDI, RNA, and ABM do not perform work in the same building, they cover different portfolios of schools. Each vendor assigns 1 custodian per 16,500 - 26,499 sq ft to perform a higher level of cleanliness and more consistent upkeep throughout the day. This staffing level increases the number of custodians per building from previous years.

2

Built-in flexibility

If one vendor underperforms, the District can shift scope to another contracted vendor immediately without running a brand-new bid process that can take months.

3

Used District-wide for other high-volume services

The same model is used for athletic field maintenance (Premier Group Associates and Tyler Athletic Fields service different fields under RFP 26-0222) and other large-scale service categories.

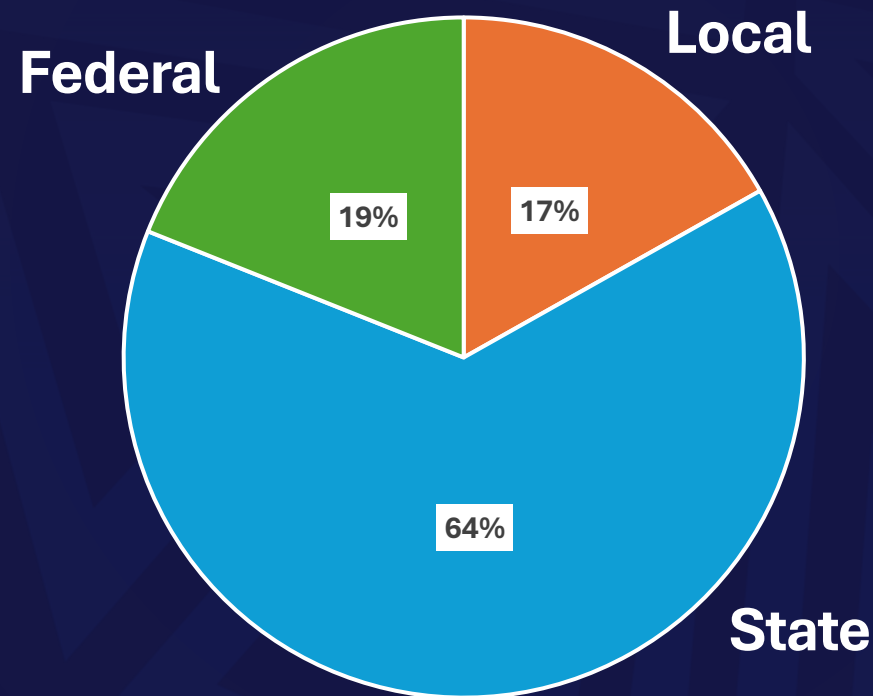


PROPOSALS

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How are schools funded?

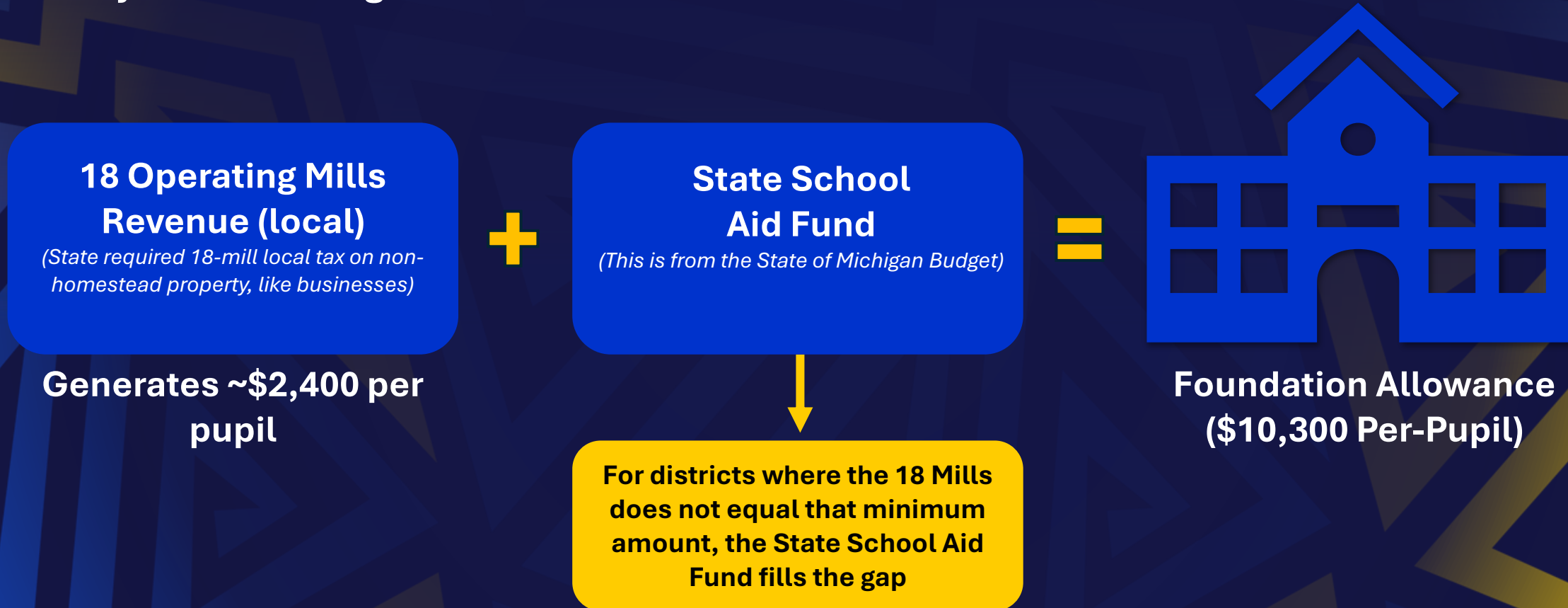
School Districts are funded from a combination of local, state and federal sources some of which are restricted and others unrestricted. The state does not provide any funding for capital improvements; schools must fund that from base funding or through a local tax levy*.



Typically, **over 90% of funding is driven by enrollment** – both the overall number and special populations (Pre-K, ESE, ELL, Title I).

What is the State's Foundation Allowance?

The state sets a minimum amount, called the Foundation Allowance, for all districts, that is usually funded through a combination of state and local revenue.



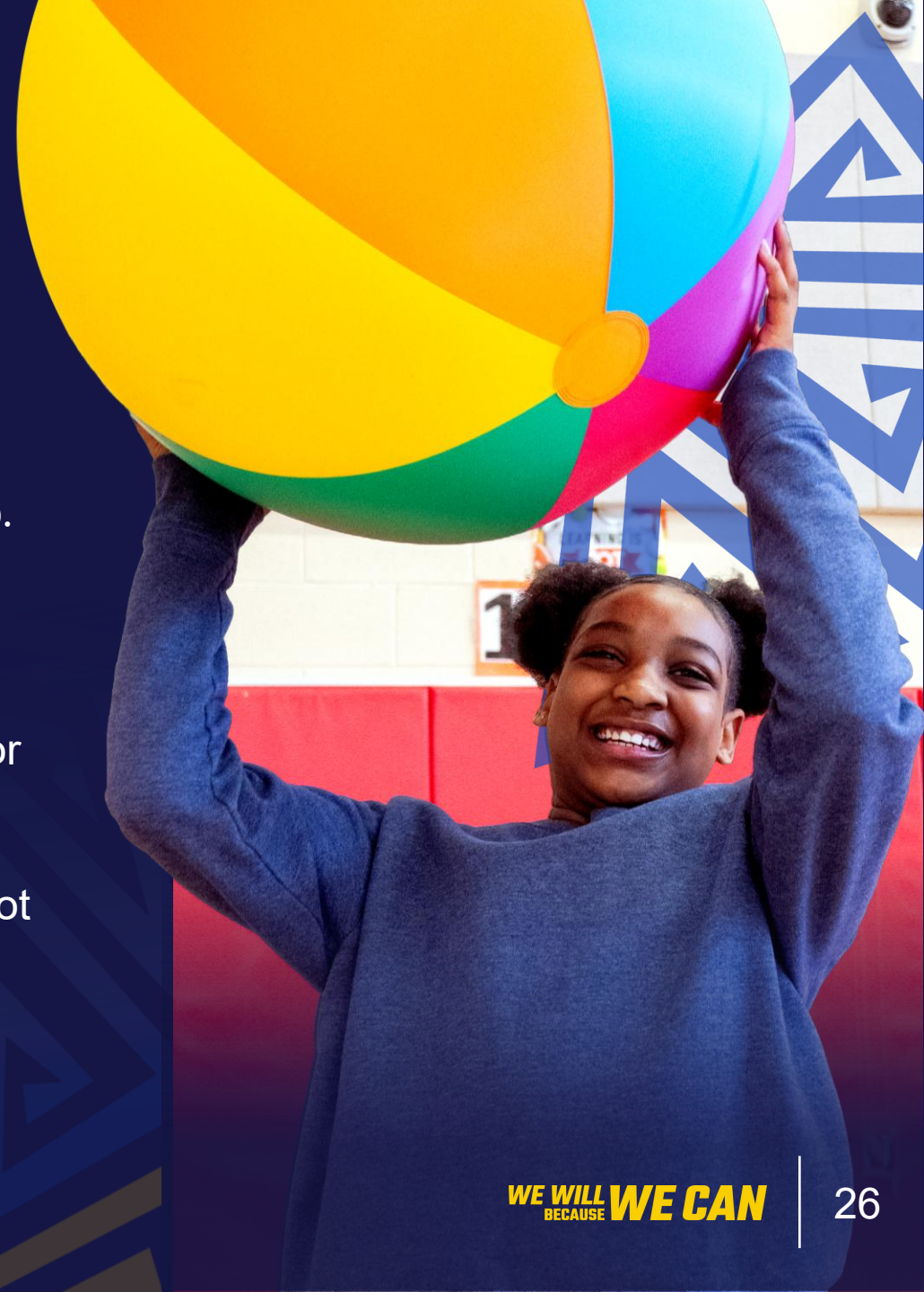
Why an Operating Millage Now?

Background

- In 2016, DPSCD was created as a new district to operate schools
 - DPS was retained to collect taxes (18 Mill Operating + 13 Mill Debt) and repay all debt. DPS will dissolve once all debt is repaid.
- While DPS levies the Operating Millage, DPSCD is prohibited from doing so. The state ensures DPSCD receives full per pupil funding during this period.

Next Steps

- Voters will need to approve an Operating Millage by July 1, 2027, or DPSCD will face a ~\$120M recurring deficit with no local millage.
- The Millage will be on the August 4, 2026 ballot.
- If the Millage does not pass in August, there are two additional ballot opportunities: November 2026 and a special election (at a cost to the District) in May 2027.





What to Expect on the Ballot: Proposal S



Proposition S

Shall the limitation on the total amount of taxes which may be assessed against all property, except principal residences and other property exempted by law, situated within the Detroit Public Schools Community District, County of Wayne, Michigan, be increased in the amount of 24 mills with 18 mills being the maximum allowable annual levy (\$18.00 on each \$1,000 of taxable valuation), for a period of twenty (20) years, 2026 to 2045, inclusive? This operating millage if approved and levied, would provide estimated revenues to the School District of \$112,000.000 during the 2026 calendar year, to be used for general operating purposes.

☐
YES ☐
NO

DPSCD School Funding Challenges

DPSCD receives less per pupil from the core Foundation Allowance than most surrounding districts

DPSCD receives \$10,300 per pupil, which is \$1,090 less* per pupil compared to 20 key surrounding districts

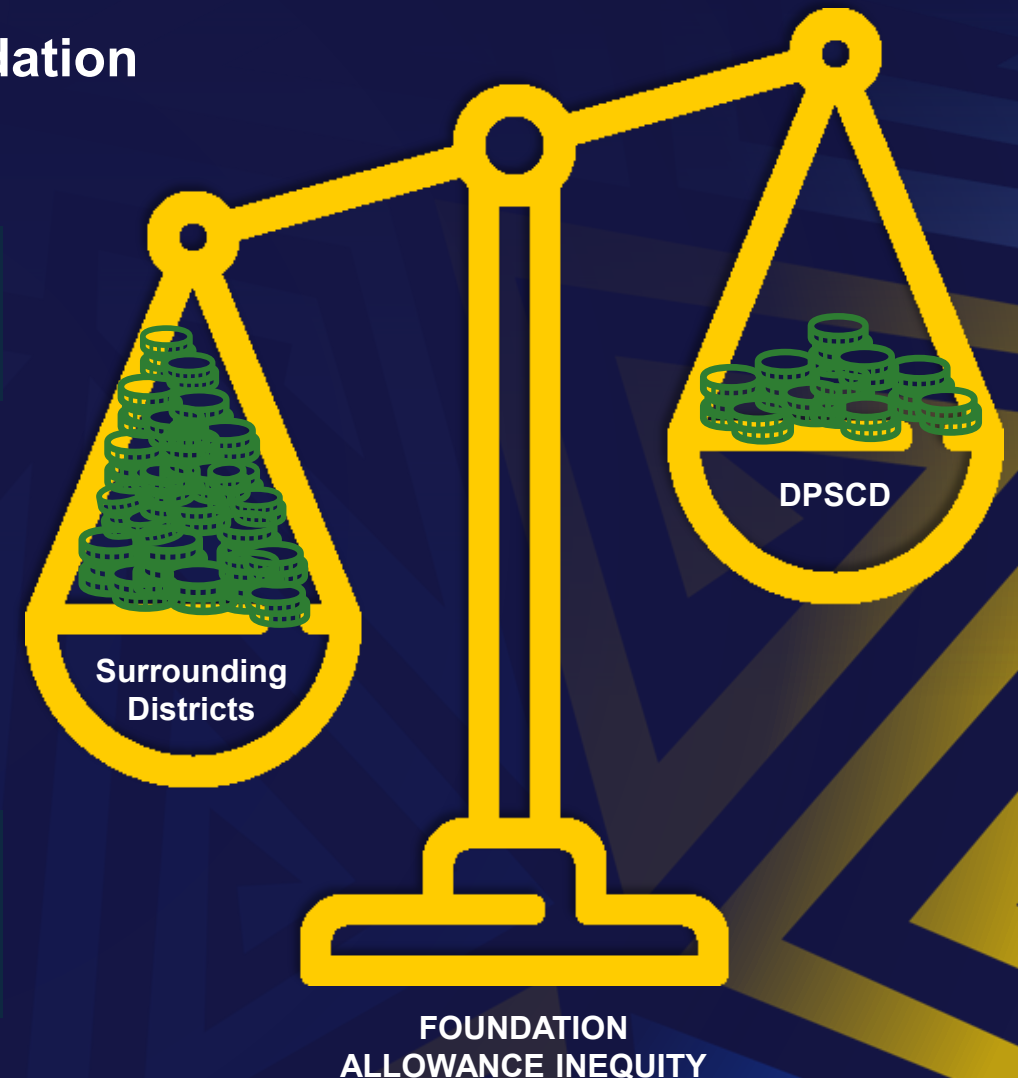
Ann Arbor
Birmingham
Center Line
Dearborn
Farmington
Grosse Ile Township

Grosse Pointe
Lamphere
Melvindale-North
River Rouge
Romulus
Royal Oak

South Lake
Southfield
Troy
Walled Lake
Warren Consolidated
Warren Woods
West Bloomfield

DPSCD receives \$3,447 less* per pupil compared to 3 key surrounding districts, equivalent to \$169M annually in recurring funding

Birmingham, Bloomfield Hills and Southfield



**Average of the FY27 per pupil foundation Allowance for the identified school districts*



GENERAL TOPICS

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DPSCD School Staffing Model



Position	Allocation
Assistant Principal	Elementary and K8 Less than 850:1 AP; 851+ = 2 APs HS = 1 per 450
Dean of Culture	Neighborhood Elementary > 450 students = 1 Dean Neighborhood K8 =1 Dean; 800+ = 2 Deans Neighborhood HS <350 =1 Dean; 351 to 600 = 2 Deans; 600+ = 3 Deans
Lead Teacher Stipend	1 per core content area, English, Math, Science, Social Studies, ESE
Core Teachers	K-3: 1 per 25 students 4-5: 1 per 30 students 6-12: 1 per 35 students
Art/Music/Gym Teachers	1 per 5 core teachers; minimum of 2 – 1 Gym and 1 Art or Music
HS Redesign	Neighborhood HS: Dedicated team of 9 th grade teachers; 6 th period stipends; expanded Dual Enrollment opportunities
Guidance Counselor	K8s: 1 per 500 students HS: 1 per 250 students
Academic Interventionist	Elementary, Middle, K8: 1 per 150 students LLS: K-2 1 per 2 teachers Grades 9-12: Maintain current positions
Parent Outreach Coordinator	1 per school
Clerical	Allocated based on enrollment
Security	Minimum 2

Q&A



Feedback Survey

Please provide feedback on today's presentation using the QR Code below



Contact Us

If you have questions, comments, concerns, you can always submit them at detroitk12.org/Contact

Report Fraud, Waste, Abuse

Anyone with a serious concern regarding fraud, waste, abuse or unethical conduct should email inspectorgeneral@detroitk12.org or call 313-870-3405

