

Detroit Public Schools

**Comprehensive Annual Financial Report
with Supplemental Information
for the Fiscal Year Ended June 30, 2016**

Detroit Public Schools

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December 15, 2016

Citizens, Judge Rhodes, Transition Manager,
and Board of Education
Detroit Public Schools
Detroit, Michigan

We are hereby submitting the Comprehensive Annual Financial Report (CAFR) of the Detroit Public Schools (the "District") for the fiscal year (FY) ended June 30, 2016. State and federal statutes require that the District issue annual financial reports and that such reports be audited by an independent firm of certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report and all appropriate disclosures for the FY ended June 30, 2016 in an effort to provide all interested parties information on the financial condition of Detroit Public Schools.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Division of Finance of the Detroit Public Schools. To provide a reasonable basis for making these representations, management of the Detroit Public Schools has established a comprehensive internal control framework that is designed to compile sufficient reliable information for the preparation of the District's financial statements in conformity with generally accepted accounting principles (GAAP). As the cost of internal controls should not outweigh their benefits, the Detroit Public Schools' 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. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of all operations of the various government-wide and governmental funds of the District. All disclosures necessary to enable the reader to gain an understanding of the Detroit Public Schools' financial activities have been included.

The District's financial statements have been audited by Plante & Moran, PLLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the FY ended June 30, 2016 are free of material misstatement. The independent audit consisted of reviewing, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion, suggesting that the District's financial statements for the FY ended June 30, 2016 are fairly presented in conformity with GAAP.

In addition, in accordance with *Government Auditing Standards*, the District issued the federally mandated single audit, designed to meet the special needs of federal granting agencies. The standards governing single audit engagements require the independent auditor to report on both the fair presentation of the financial statements and on the audited District's internal controls and compliance with legal

requirements, especially concerning the administration of federal awards. This report is available separately in the District-issued report on federal awards.

Reporting Entity and Organization

The Detroit Public Schools is an independent reporting entity that follows the criteria established by the Governmental Accounting Standards Board. All funds of the District are included in this report.

Budgetary Controls

The Transition Manager/Emergency Manager directed the FY2016 Budget Development process with necessary input from the Office of Management and Budget (OMB) and EY-Parthenon Consultants (EY-Parthenon).

OMB initiates the annual budget process by requesting school demographic information from the District's demographer. The demographer would provide the projected number of students by school and by grade.

OMB uses this information to perform two calculations:

First, OMB calculates the projected State Aid (Proposal A Obligation and Discretionary Payment) to be received from the State of Michigan based on the projected total number of students.

Second, OMB calculates teacher staffing allocations based on class sizes approved by the Superintendent of Academics and the projected number of students by school and grade.

OMB prepares the projections for the remaining General Purpose revenue (property taxes, Medicaid reimbursement, sale of capital assets, etc.) for the upcoming fiscal year. For the remaining funds (adult education, grants, special education, food service), the respective fund managers provide the revenue projections to OMB.

Departments submitted General Fund (fund 11) discretionary budget templates for review, and they were reviewed by OMB and EY-Parthenon. The Emergency Manager worked with EY-Parthenon on personnel budgets. The personnel budgets were approved by the Transition Manager based on the District's Central Office Transformation plan.

All revenue and expenditures (instruction, support services, community, etc.) are entered into the TMI/Cognos (Cognos) budget development system. If the projected expenditures exceed the projected revenue, OMB works with members of the Transition Manager's (TM) team (Cabinet Members) to identify potential expenditure reductions.

Once the budget is balanced, the budget is submitted for review and approval. Upon final TM approval, OMB reviews, researches, and resolves any errors or unusual items and enters any budget adjustments into Cognos. Final changes are reviewed by the OMB Executive Director.

OMB prepares budget amendments whenever a budget assumption needs to be significantly modified. During the budget amendment process, OMB amends the budget based on revised budget assumptions and reviews any significant budget variances. The TM will approve the amended budget.

Schools and departments submit budget transfer requests to OMB. These requests normally include adding/deleting positions or transferring funds between line items. Budget adjustments related to grant funds are reviewed by the Department of State and Federal Programs to confirm the use of funds

complies with the grant regulations and are included in the state approved consolidated application. All requests must be approved by the respective Division Head before being forwarded to OMB.

Profile of the Detroit Public Schools

The School District of the City of Detroit (hereinafter “Detroit Public Schools” or the “District”), incorporated in 1842, is a statutory public body created by the State of Michigan, and functions under the provisions of the Michigan Public Act 451 of 1976, as amended (Public Act 451). The District encompasses an area of approximately 140 square miles, and is located within the City of Detroit, Wayne County, Michigan. Although the corporate boundaries of the District are coterminous with the corporate boundaries of the City of Detroit, the District is a totally separate governmental unit.

Detroit Public Schools is the largest public school system in Michigan. The District is one of the largest employers in Detroit, employing 6,028 employees (full-time equivalents).

The District has operated under the authority of an emergency manager (previously known as emergency “financial” manager under the predecessor authorizing act) since January 26, 2009, when then-Governor Jennifer Granholm determined that a financial emergency existed for the District and appointed Robert C. Bobb to serve as emergency financial manager for the District pursuant to Michigan Public Act 72 of 1990, as amended (Public Act 72). On May 16, 2011, Governor Rick Snyder determined that the financial emergency continued to exist for the District and appointed Roy S. Roberts to replace Robert Bobb as emergency manager for the District (Emergency Manager or “EM”) pursuant to the authority of Michigan Public Act 4 of 2011 (Public Act 4), which replaced and repealed Public Act 72 in 2011. Mr. Roberts served as Emergency Manager of the District under Public Act 4 until Public Act 4 was suspended by voter petition for a referendum and temporarily replaced by Public Act 72 in August 2012. Governor Snyder reappointed Mr. Roberts to serve as an Emergency Financial Manager for the District under Public Act 72 (during the suspension period and after Public Act 4 was rescinded by voter referendum effective November 6, 2012); and in March 28, 2013, reappointed Mr. Roberts as the Emergency Manager for the District when the state legislature subsequently enacted Michigan Public Act 436 of 2012 (Public Act 436) which currently remains in effect. On July 15, 2013, Governor Snyder appointed Jack Martin as Emergency Manager for the District to replace Roy Roberts who retired on that same date. Mr. Martin served as Emergency Manager until Governor Snyder appointed Darnell Earley to the position on January 13, 2015.

Under Public Act 436, the EM is prescribed all power and authority over all financial, operational, and academic matters of the District as is necessary to address the financial emergency of the District, subject to certain limitations enumerated in Public Act 436. Notwithstanding any agreed-upon expiration date, the EM serves at the pleasure of the Governor and the Governor has the authority to remove the EM with or without cause at any time he may determine. The EM may also be removed: (1) by impeachment and conviction by the State Legislature, or (2) upon serving at least 18 months after his or her appointment, by resolution of 2/3 vote of the Board of Education of the District. If the Emergency Manager is removed and the financial emergency has not been rectified, Public Act 436 requires the Governor to appoint a new emergency manager; or in the case of removal by the Board of Education, requires such other remedies to resolve the financial emergency of the District, including but not limited to a potential neutral evaluation process, Chapter 9 bankruptcy proceeding, or the eventual re-appointment of a subsequent EM.

On February 29, 2016, Governor Snyder appointed Judge Steven Rhodes to serve as the District’s Transition Manager. Judge Rhodes has the same powers as the previous EM and is responsible for overseeing the District operations.

Refer to Note I *Nature of Business and Summary of Significant Accounting Policies* for more information regarding the reporting entity.

Profile of the City of Detroit

The City of Detroit is located in Southeastern Michigan, incorporated in 1806, currently occupies a land area of approximately 140 square miles and, according to the 2015 census estimate, serves a population of 677,116. The City of Detroit is the State of Michigan's largest city and accounts for nearly half of Wayne County's population.

Often referred to as the Motor City, the City of Detroit is known for its rich history in the automotive industry. Currently, Detroit is the world's traditional automotive center, with the "Big Three" (Chrysler, General Motors, and Ford Motor Company) and all other major global automakers having a presence in the area. The major U.S. automakers (Big Three) had increased sales volume over the last few years which is a sign of recovery and a tremendous lift to the City of Detroit. The North American International Auto Show draws in hundreds of thousands of people from all around the world to Detroit's Cobo Hall to see the latest and greatest innovation in automotive engineering. The 2016 event welcomed the largest crowd of spectators, 815,575 people, topping the 13-year high total from 2003.

The City of Detroit also functions as an entertainment hub, as the emerging casino resort properties, sports venues, and theatre district draw in visitors and tourists. The City of Detroit offers the MGM Grand Detroit, Motor City Casino, Caesars Windsor, and the Greektown Casino resort destinations. These casinos generate hundreds of millions of dollars of tax revenue and produce hundreds of city jobs. Detroit also has the second largest theater district in the country with over 13,000 theater seats in just a two block radius. With the Fox Theater seating over 5,000 just blocks from the Fillmore, Opera House, Music Hall, Gem, Century, and even the little avant-garde 1515 Broadway, the City is a theater lover's paradise. Detroit is home to a rich mix of people from various ethnic backgrounds, including citizens of English, German, Irish, Italian, Polish, Mexican, Middle Eastern, African, and Greek descent. Students and residents take advantage of the many recreational and cultural opportunities located within the city limits of Detroit. Detroit is home to some of the nation's premier athletic centers consisting of Ford Field, Comerica Park, and Joe Louis Arena, providing state-of-the-art sports facilities. The theatre district, which consists of the Gem Theatre, the Music Hall Center for Performing Arts, the Opera House, the historic Fox Theatre, and the Max Fisher Theatre at Orchestra Hall offers a variety of cultural and entertainment events.

The City of Detroit has two of the nation's most beautiful city-owned recreational and event facilities: Belle Isle Park and Campus Martius. Belle Isle is a 982-acre (1.534 sq mi) island park in the Detroit River, between the United States mainland, connected to Detroit by the MacArthur Bridge, and Canada. It is the largest city-owned island park in the United States and is currently leased to the State of Michigan. Under the lease agreement, the Michigan Department of Natural Resources manages the island park and the City of Detroit retains ownership. Belle Isle officially became a state park on February 10, 2014. The island is home to the Belle Isle Aquarium, the Belle Isle Conservatory, the Belle Isle Nature Zoo, the Detroit Yacht Club on an adjacent island, the James Scott Memorial Fountain, the Dossin Great Lakes Museum, a Coast Guard station, a municipal golf course, and numerous monuments. Campus Martius Park anchors a two square block district that is the commercial center and heart of downtown Detroit. Surrounded by over 6.5 million square feet of mixed used space from the stunning historic architecture of the landmark Penobscot Building to the contemporary Meridian and Quicken Loans Headquarters and One Kennedy Square Buildings, the Campus Martius district is a regional destination. All of the major avenues radiate out from Detroit's Point of Origin in the Park. The Campus Martius district is a 24-hour neighborhood comprised of 20,000 office employees, 750 residents, 35+ dining options, 50 retail outlets, the Westin Book Cadillac Hotel, 10,000 parking spaces, and over two million annual visitors.

Several new projects have been launched to begin engaging stakeholders and citizens to commit to restoring Detroit to its apex as one of America's greatest cities. Detroiters will soon be able to quickly navigate throughout the Downtown area as construction has begun for the M-I Rail, the future operation of a 3.3 mile circulating streetcar along Woodward Avenue between Congress Street and West Grand Boulevard in Detroit, Michigan. Quicken Loans announced that QLINE has been selected as the official name of Detroit's modern streetcar line. This project is expected to be completed in 2017. This new public transportation project will become extremely useful for Detroiters when the New Sports and Entertainment District is completed. This \$650 million project will be a great addition and the focal point of this entertainment district will be the new home of the Detroit Red Wings and Detroit Pistons. The Detroit Medical Center has also seen a great deal of transformation. The \$78 million Heart Hospital is currently complete and open. By 2017, the Detroit Medical Center will have over \$850 million in additions, renovations, and cutting edge science equipment in house. Over \$61 million will be dedicated to the upkeep and revitalization of the Brush Park neighborhood addressing housing, parking, grounds, and retail. Major strides have been made when it comes to retail, with the second Meijer super store opened within the Detroit city limits in 2015. The 190,000 square foot Meijer is located on the grounds of the old Redford High School which had been closed in the last 10 years. The opening of Meijer created over 270 full- and part-time jobs for Detroiters. In addition, Detroit opened a high-end men's fashion store in that of John Varvatos in Downtown Detroit in 2015 as well. This opening is major because it is thought to pave the way for many other high-end stores to follow suit and open Downtown as well creating the big city vibe and shopping destination. Lastly, the success of the Neighbors Wanted Program has been successful in putting families into vacant homes. The program's efforts have led to fewer abandoned homes and overtime will aid in bettering the housing market in the city of Detroit. Detroit is on the rise and returning Detroit back to its prideful, vibrant, and beautiful glory days.

Economic and Geographic Makeup

The District is located in the major urban city of Detroit, which has an estimated population of 677,116 inhabitants based on the U.S. Census Bureau's 2015 estimates. Downtown Detroit has a strong and growing residential population that will provide a strong base for future development. According to the 2015 U.S. Census Bureau estimates, the City has 254,197 households with a median family income of \$26,095, and a poverty rate of 39.8 percent for individuals. The survey estimates that the Detroit population is made up of approximately 47.1 percent males and 52.9 percent females.

National economic factors have a direct impact on the employment rate within the city limits. The Bureau of Labor Statistics indicates that the unemployment rate for the City of Detroit is 12.5 percent while the national unemployment rate was 4.7 percent and the State of Michigan had a rate of 4.7 percent during fiscal year 2016.

Metro Detroit has propelled Michigan's national ranking in emerging technology fields such as life sciences, information technology, and advanced manufacturing. The economy of the City of Detroit is very dependent on the automobile manufacturing sector. Other leading industries in the City of Detroit include education, healthcare, professional, business, and social services.

About the Detroit Public Schools

The District is divided into geographically defined configurations. Each configuration has administrative responsibility for the elementary, middle, and high schools located within its boundaries, which include regular, special education, vocational/technical, and alternative programs.

The District has 97 schools, consisting of seven early childhood schools, 62 elementary schools, 18 high schools, two alternative education schools, six special education, and two career technical and vocational centers. These locations provide services to over 46,300 students.

Of the District’s total operating expenditures of approximately \$723 million, 44 percent or approximately \$318 million, was spent on instruction for the year ended June 30, 2016.

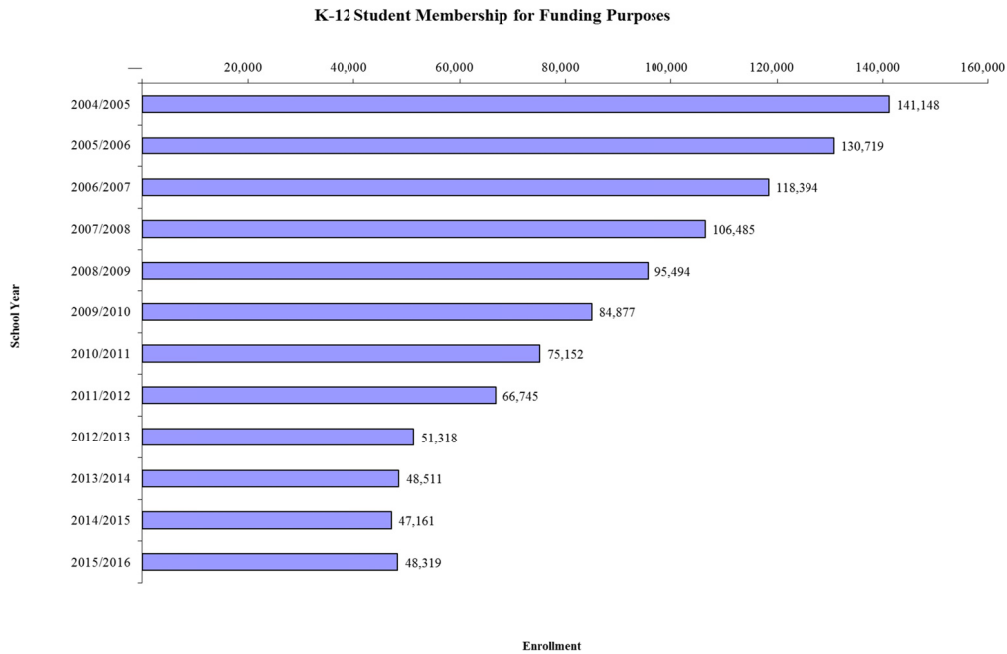
Because the District had a deficit in prior years by State law definition, a revised Deficit Elimination Plan (the “Plan”) was required by the State of Michigan to be filed in July 2006. This was in accordance with the refinancing of \$210 million in short-term borrowings during fiscal year 2005. The Plan included an explanation for the deficit which included such factors as declining student enrollment and increased employee health and benefit costs. Cost reduction initiatives consisting of staff reductions, restricted travel and discretionary spending, debt restructuring, and renegotiation of vendor contracts were also included. On a monthly basis, the District submits a General Fund Budgetary Control report to the State of Michigan to ensure that the District is operating under the requirements of the Plan. Further, the District has undergone a complete restructuring as of July 1, 2017, which is addressed in the subsequent event note to the financial statements.

The District began the 2016-2017 school year with a General Fund deficit of \$208 million, as restated, and ended the fiscal year with a deficit of \$251 million. Due to the ongoing deficit, the District was required to have an enhanced deficit elimination plan with the Department of Treasury. The District has worked closely with the Governor, the Legislature, Michigan Department of Treasury, and the Michigan Department of Education to craft a plan for restructure of the District, which took effect on July 1, 2016.

Refer to management’s discussion and analysis for more information regarding General Fund comparative financial data.

Student Funded Membership

As this chart clearly shows, the Detroit Public Schools has been experiencing a steadily declining K-12 funded student membership.



An analysis of this historical declining student enrollment is presented below. From 1999 to the present, school enrollment has experienced a significant decline.

State Aid K-12 Membership Analysis

School Year	Student Membership for Funding Purposes*	Increase (Decrease)	Percent Increase (Decrease)	Per Pupil State Aid Amount	Additions (Reductions) in State Aid Due to Changing Enrollment
2004/2005	141,148	(9,267)	(6.16) %	\$ 7,180	\$ (66,537,060)
2005/2006	130,719	(10,429)	(7.39)	7,259	(75,704,111)
2006/2007	118,394	(12,325)	(9.43)	7,469	(92,055,425)
2007/2008	106,485	(11,909)	(10.06)	7,557	(89,996,313)
2008/2009	95,494	(10,991)	(10.32)	7,660	(84,191,060)
2009/2010	84,877	(10,617)	(11.12)	7,660	(81,326,220)
2010/2011	75,152	(9,725)	(11.46)	7,660	(74,493,500)
2011/2012	66,745	(8,407)	(11.19)	7,190	(60,446,330)
2012/2013	51,318	(15,427)	(23.11)	7,190	(110,920,130)
2013/2014	48,511	(2,807)	(5.47)	7,246	(20,339,522)
2014/2015	47,161	(4,157)	(8.10)	7,296	(30,329,472)
2015/2016	48,319	(192)	(0.40) %	7,434	(1,427,328)
Totals		<u>(106,253)</u>			<u>\$ (787,766,471)</u>
Averages		(8,854)	(9.52) %		\$ (65,647,206)

(*) Blended Student Count.

Source: State of Michigan 2015-2016 State Aid Financial Status Report

Some of the loss can be attributed to a declining birth rate as well as a continuing exodus of residents from the City of Detroit. However, the District is faced with a number of significant challenges in attempting to halt or at least slow the rate of student loss. The takeover years 1999-2006 were marked by increased losses to charter and private schools, which continues to this date. In addition, students enrolled in surrounding districts at an unprecedented level as these districts began accepting Detroit residents. Due to the steady decline of employment opportunities in the state of Michigan, over 30,000 school-age children have left the state with their families, resulting in significant enrollment decline over several years. According to the new census report, the number of Detroit children attending public schools grew from about 180,000 in 1990 to about 193,000 in 2000. However, enrollment in Detroit Public Schools fell to about 168,200 in 2000 and continues to decline. In 2011, enrollment fell from approximately 75,000 to 51,318 students in 2013, of which a significant portion of this decline is attributed to the removal of 15 district schools and nearly 10,000 students to a new state reform district in 2012 known as the Education Achievement Authority. The Education Achievement Authority will cease operations on June 30, 2017 and the facilities they had been using will be returned to the District.

The District believes that the best defense against continuing student membership decline is the improvement of the District. Through the improvement of the physical facilities, providing a safe and clean environment, developing a more efficient and effective organization, and significantly improving student achievement, we are convinced that we can slow the rate of student membership decline. While the District did experience a decline in enrollment for fiscal 2016, the number and percent decline was less than in previous years.

Educational Programs

In partnership with parents and our community, Detroit Public Schools exists to provide a comprehensive educational experience that is high quality, challenging, and inspires all students to make a positive contribution to society. The District implemented a five-year Academic Plan, which was designed to ensure academic excellence. The underlying principle of the plan was to significantly alter the educational experience of students in grades pre-kindergarten through grade 12 with the intention of meeting the District goals:

1. Improve student achievement as measured by:
 - At least 50 percent of students in Grades 2 through 10 will meet or exceed their Measures of Academic Progress (MAP) one-year growth target.
 - At least 50 percent of all high school students will meet or exceed the SAT overall composite benchmark of 1550.
 - Realize a graduation rate of 95 percent for all incoming Grade 12 students and 75 percent of graduating seniors enrolled/applied in post-secondary education.
2. Daily average attendance rate of 90 percent or better.
3. Enhanced policies, procedures, and operational efficiency in order to achieve fiscal year 2016 budget.
4. Reduce the District's legacy deficit by 20 percent.
5. Improve customer service at every "touch point" of work - parents, unions, school staff, and the public

The expectations for all students set forth in the Academic Plan, Higher Standards for All emphasize research that support high achievement for all students. We are committed to providing an education for every student that challenges them while supporting their success. Every student will graduate from Detroit Public Schools career and college ready with a 21st century education. We will focus on four core strategies:

- Provide a high-quality, well-rounded educational experience to all students that is rigorous, relevant, and engaging
- Build strong relationships with students, families, and the community to increase trust and shared responsibility
- Ensure that every classroom has a high quality effective educator, supported by high-quality effective administrators and support staff
- Align resources to accomplish priorities within a balanced budget

We recognize that there are many contributing factors that impact student learning. The District adopted five pillars of student achievement consisting of the following factors:

- Talent Management
- High Quality Teaching and Learning
- Rigorous, Transparent and Continuous Improvement Cycle
- Customer Service Approach with Community and Each Other
- A Secure, Inclusive and Dynamic Culture

Academic Planning for 2016 Overview

The District engaged in a planning process for the new plan that included stakeholders with an interest in the continuing success of DPSCD. This process led to new foundations that will ensure we meet our end goal of every student being college and career ready. We will place kids first, strive for excellence,

provide quality customer service, respect each other, and operate with the highest level of integrity for every decision that needs to be made.

The District underwent multiple changes in academic leadership during the 2015-2016 school year. Upon the appointment of the interim superintendent, the work began to bring together all stakeholders to compose a new Academic Plan for the success of the District moving forward. The new plan is organized around five Pillars of Excellence:

1. Literacy - Provide a continuum of learning, enabling individuals to achieve their goals, to develop their knowledge and potential, and to participate fully in their community and wider society
2. Career Pathways - Provide students with a context for studying traditional academics and learning the skills specific to a career
3. Innovation - Create a shift in mindset to ensure staff is encouraged to be flexible, try something new, and explore new ways of thinking
4. Family and Community - Enhance and enrich positive relationships for all stakeholders
5. Wrap Around Services - Ensure every student receives appropriate support to elevate their social, emotional, and academic performance

DEVELOPMENT PHASES

Phase 1:

- Established Academic Advisory Council
- Presented District Data and Needs Assessment
- Developed Research-based Recommendations

Phase 2:

- Created draft plan centered around the five Pillars
- Developed Goals, Objectives, Strategies, and Tactics

Phase 3:

- Facilitated Focus Groups for each of the five Pillars with University, Community Members, DPSCD Staff
- Collected feedback from Focus Groups to inform the final plan

Phase 4:

- Hosted October 2016 Academic Advisory Council Meeting
- Reviewed Phase I, Phase II, and Phase III input
- Presented final recommendations

Key initiatives to support the District goals were implemented during the 2015-2016 school year. In addition, we will continue to work toward replicating programs that have proven successful.

Network Structure to Support Schools

During the 2015-2016 school year, the District engaged in a new strategy to support our schools. Schools were divided into networks based upon factors including, but not limited to, performance, geographical location, and program structure. There were a total of six networks, each with a network team which was comprised of a Network Leader, Deputy Network Leader of Instruction, Deputy Network Leader of Operations, PLC Facilitators, Instructional Specialists, Attendance Agents, and a Program Associate. Each network was responsible for a cohort of schools and charged with monitoring the instructional programs and building level operations for each. Curriculum departments supported the work of the schools through a multitude of programs. Program descriptions are listed on the following pages.

Curriculum Initiatives and Programs

District Improvement Initiatives. Detroit Public Schools have focused on coherence and sustainable efforts. The Academic Plan, District Improvement Plan, and Educational Technology Plan align to District goals and objectives, but they also link to major initiatives that focus on increasing student achievement while meeting the needs of students.

Curriculum Alignment. In June 2010, the Common Core State Standards (CCSS) were adopted by the State of Michigan for English language arts and mathematics. The District designed a multi-year implementation plan that included the “Getting to know the CCSS” to classroom implementation phase. Both the Office of Literacy and the Office of Mathematics have aligned curriculum to the Common Core Standards/College and Career Readiness Standards. All professional development is also aligned to Common Core. The Common Core standards are rigorous and robust. The District is well into the implementation phase of the CCSS. Each department had specific focuses that are listed below.

In 2013, the National Council for Social Studies released the College, Career and Civic Life (C3) for Social Studies Standards as a system of disciplinary inquiry in social studies that allows students to inquire, investigate, and communicate the results of their work by taking informed action. During the spring of 2014, the District’s curriculum was revised to align with the C3 Framework as well as the Common Core State Standards.

The Office of Literacy fiscal year 2015-2016:

- Maintained a continued focus on delving deeper into the Michigan State Standards/College and Career Readiness Standards (CCSS-CCRS) and their implications for teaching and learning with teachers and administrators.
- Conducted additional presentations on the Michigan State Standards to the school level instructional specialists at each of their monthly meetings. The instructional specialists, acting as the liaison between the District and the schools, presented the information to staff at their schools.
- Office of Literacy staff delivered Michigan State Standards presentations to the District’s principals at meetings held by their assistant superintendents, as well as City-wide meetings, to maintain a focus on the standards and help administrators understand how to monitor instruction.
- Office of Literacy staff continued to view videos and participate in webinars on the Michigan State Standards. These webinars and videos were shared electronically with the District’s instructional

specialists. This effort was to ensure that all district-wide staff shared a common knowledge base about the Michigan State Standards and their impact on classroom instruction.

- The Office of Literacy conducted sessions on the following topics: Elements of Writing, Michigan Merit Exam, Imagine It, Success for All, Informational Text Reading Strategies, Guided Highlighted Reading, etc. The participants were given copies of the presentations and these resources were used by the building level instructional specialist as training tools with teachers.
- All professional development offered during the 2015-2016 school year focused on Michigan State Standards and strategies for implementing the standards.
- Provided professional development for the building level instructional specialists around the Common Core State Standards for Reading, Writing, Speaking, Listening, and Language.
- Provided District-wide professional development around the Common Core State Standards for the District's teachers, for Reading, Writing, Speaking and Listening, and Language.

Topics included: Cross-Curricular Mentoring Text Strategies
Differentiating with Technology in ELA
Student Engagement through Social Studies and Art
Project-based Learning for ELA
Building Cooperative Learning (ELA) K-8 Success for All
Marrying Literacy and Math

- Maintained a continued emphasis on improving writing instruction and strengthening reading skills through a renewed focus on writing folders and portfolios, and teaching the adopted reading program with fidelity.
- Conducted ongoing meetings with the ELA Instructional Specialists to build capacity and provide support to our schools. A calendar of Instructional Specialists cohort group monthly/bi-monthly meetings was created to professionally develop and build capacity for various Literacy initiatives, including implementing the CCS-CCRS and increasing rigorous and relevant instruction.

The Office of Mathematics Education fiscal year 2015-2016:

- We are continuing to support the implementation of the Common Core State Standards into every classroom PK-12 through the integration of activities that support teachers, instructional specialists, coaches, and administrators. Activities include CCSS content knowledge and implementation of the standards for student mathematical practices that were emphasized in District-wide meetings, on District professional development days, and targeted professional development activities.
- Curriculum committees continue to review and renew the standards-based curriculum driven by the college and career readiness standards for grades K through 12 as we review our data points.
- Every meeting and professional development opportunity was focused on helping teachers develop a deeper understanding of the mathematical content that they teach along with learning a variety of ways to differentiate instruction so that no child is left behind.
- Monthly meetings target a cohort group of Mathematics Instructional Specialists and Lead teachers that serve as representatives for their schools who attend a monthly meeting that consist of professional development and receive updates regarding curriculum issues, Smarter Balance M-

Step/MME/ACT information, best practices, and more. This cohort group returns back to their home school and share the information received.

Detroit Public Schools has utilized the DPS Hub to access curriculum, instructional materials, and other classroom resources for English language arts, mathematics, science, and social studies. All core content areas have worked to update the instructional materials and resources for educators. All subject areas have revised their curriculum to be aligned to the state and national standards.

The District administered the Measures of Academic Progress (MAP) from the Northwest Evaluation Association (NWEA). This assessment is aligned to the Common Core Standards and will be administered to students in grades K through 11. The MAP Assessment will be administered electronically three times per year. Additional features of the MAP Assessment are as follows:

- These assessments are untimed. Students should be given as much time to complete a test, as long as they are making progress.
- The assessments measure growth and show how students are progressing.
- Results are received immediately and displayed at the end of the assessment.

(Northwest Evaluation Association, 2013)

Comprehensive Instructional Programs

The Comprehensive Instructional programs are brought to life by our curriculum plan. The Comprehensive Curriculum Plan (CCP) identifies the most essential enabling objectives needed to demonstrate proficiency in performing identified competencies. It aligns curriculum and instruction, develops a different view of assessing student learning, and targets high-performing learning outcomes which are critical to applying knowledge both now and in the future. It includes greater rigor in coursework, increased student performance expectations, and incorporates state-of-the-art teaching strategies. The curriculum is designed to guide teachers, to suggest active teaching strategies/techniques, and to empower teachers to make professional judgments about specific procedures and instructional materials to use in helping students perform the intended outcomes. The subject area curriculum documents have been developed by teams of teachers, and others, identified as outstanding in their areas of expertise. The curriculum continues to be updated as necessary to align with changing state and national standards.

The CCP includes all the current requirements of the Michigan Department of Education and is correlated and aligned to the Common Core State Standards, College, Career & Civic Readiness Framework, and/or the Michigan Grade Level and High School Content Expectations. The CCP exceeds state standards and requirements. It is a living document that is updated as new state and/or federal requirements emerge. It embodies the new Bloom's Taxonomy model to support increased academic rigor throughout the District. Students will be engaged in project-based learning applying new learning to new situations and creating products that reflect higher-order thinking skills. The District's high standards, rigorous curriculum, and instructional programs are designed to be responsive to student needs.

The District is very concerned about the challenges that our self-contained teachers meet from day-to-day. They are required to know and understand the latest research in all four academic core areas and to teach it well. In an effort to assist self-contained teachers and the students that they teach to come to know how the four academic core areas relate to one another, we have implemented cross-curricular lessons for grades K-5 during the school year 2013-2014. District curricula also include lesson exemplars that connect proven, research-based practices. Cross-curricular lessons for kindergarten through grade 5 contain a common theme that connects across reading, writing, mathematics, science, and social studies aimed at assisting self-contained teachers. Research confirms that students benefit from a holistic

approach to learning academic content in a connected learning environment opposed to the restricted isolated traditional method. Students see how content connects across the subjects and experience a definite relationship among the disciplines.

English/Language Arts

The K-12 Comprehensive Literacy Plan provides a curriculum and instructional guide for literacy teachers. The literacy curriculum is designed to focus literacy instruction on reading, writing, listening, speaking, and language. It guides teachers as they prepare students for the higher levels of literacy demanded by today's society. Students as early as kindergarten are expected to become literate, demonstrating having a grasp on reading, writing, listening, speaking, and language competencies that were not previously expected. All curriculum materials are aligned with the Michigan State Standards and teachers prepare their students for college and/or careers by ensuring that they are "able to read closely to determine what the text says explicitly, determine central ideas or themes of a text, interpret words and phrases as they are used in a text, and to integrate and evaluate content presented in diverse media and formats..." and other competencies outlined in the Michigan State Standards.

These increased opportunities to engage in the use of literacy skills, to research topics, and have exposure to general knowledge allow all students, despite differences, have the ability to connect to information needed to function in a global society. The literacy curriculum is designed to engage both the teachers and students by exposing students to both literary and informational texts that are meaningful and relevant. Students are led to see cross-curricular connections between the skills and knowledge learned in their Reading/English classes with the other content areas of mathematics, science, and social studies. The curriculum, based upon an extensive body of research, follows an instructional design that includes explicit instruction. The teacher uses whole-group instruction to ensure that all students are exposed to the important concepts, and then moves to smaller groups, and concludes by returning to the whole group. Students are also provided opportunities to engage in differentiated instruction which targets their specific needs. Teachers use technology in their daily instruction to enhance lessons and expose students to a wealth of knowledge outside of the classroom.

The curriculum also encourages students to "stretch" their learning opportunities by engaging in Honors and Advanced Placement Courses. Successful participation in the Language and Composition or the Literature and Composition AP courses grants students advanced college credit(s).

The Office of Literacy supported and showcased the work of teachers and students with coordinated programming which included the following:

- Scripps-Howard National Spelling Bee is the nation's largest and longest-running educational program. The purpose is to help students improve their spelling, increase their vocabularies, learn concepts, and develop correct English usage that will help them all their lives.
- Battle of the Books is a reading incentive program for children in grades 3-12. The purpose of the program is to encourage children to read and to have fun with their peers as they compete against one another to demonstrate knowledge of the books they have read.
- Literacy Fair is a district-wide opportunity for schools to celebrate and showcase English and Language Arts skills, activities, and knowledge gained throughout the academic year.
- Camp Wanna Read
A workshop designed to inform teachers about how to implement a reading camp in their school to help motivate students to read. It creates a fun and safe environment for students to enjoy the

act of reading. The workshop includes all the necessary information to implement a camp in individual schools.

- **Advanced Placement (AP)**
The Office of Literacy continues to work diligently to increase the number of Advanced Placement offerings in our District and to provide teachers with the information, tools, and strategies needed to build successful Advanced Placement programming in their schools and throughout the District.
- **Detroit Urban Debate League (UDL)**
The Detroit UDL is a non-profit organization that launches and supports policy debate teams in Detroit-area schools. The program seeks to improve study habits and academic success, increase self-confidence, improve graduation rates, and increase college scholarship opportunities.
- **Reading is Fundamental (RIF) Book Giveaways**
Themed-based book giveaways. Schools create a theme around the book giveaway and each student is allowed to select a book to add to their home library collection. All books donated are new library books.
- **World Read Aloud Day**
This program allows for an opportunity to celebrate reading and storytelling with entire communities. It also highlights the need for libraries and community centers as crucial spaces to discover, explore, and foster literacy.
- **Target School Library Make-over** Durfee K-8 School was a recipient of the 2014 library make-over from Heart of America and Target. The school received 2,000 new library books, iPads, smart board, furniture, carpet, paint, artwork, and shelving. Each student also received seven new books to take home.
- **LitClubs** are after-school and weekend literacy clubs that promote the foundational model for the LitWorld curriculum which combines resilience building activities with literacy best practices and sets of dynamic lessons around the theme of belonging, friendship, confidence, curiosity, courage, kindness, and hope. It is designed specifically for girls.
- **LitCamp** is an opportunity for LitClub members to participate in LitClub activities and workshops based on their personal interests. Workshops include sewing, storyboarding, latch-hooking, making iPad movies, African Dance, etc. It is designed specifically for girls.
- **Annual Chancellor's Reading Carnival for Children (WCCCD)**
An event that promotes parental involvement and strategies for parental instruction to assist in teaching children to read and write at their grade level. The program allows children to discover the wonderful world of books in a secure, comfortable, and fun environment with great stories, interactive programs, exciting giveaways, and stimulating activities in a carnival-like atmosphere designed to make reading exciting and desirable for children grades pre-K through 8.
- **Quarterly Newsletter**
A newsletter that highlights various literacy activities and initiatives happening throughout the Detroit Public School district.
- **Partnered with the Detroit Public Library** to allow students to take Accelerated Reader quizzes during the summer of 2016.

- Palazzo Strozzi is a competitive course that offers a life-changing experience for 11th grade students. Participants are immersed in the study of the Italian Renaissance using a rigorous curriculum designed by the Palazzo Strozzi Foundation. Winners of the 2015/2016 competition earned the opportunity to study abroad in Italy for four weeks during the summer with all expenses paid through the foundation.

Mathematics

The pre-K-12 Comprehensive Mathematics Plan provides a curriculum and instructional guide for mathematics teachers. The mathematics curriculum is designed to focus mathematics instruction. High yet attainable curriculum standards are required to produce a society that has both the capability to think and reason mathematically and have a useful base of mathematical knowledge and skills needed in life. The mathematics curriculum is designed to enrich the mathematical experiences of both teachers and students. It builds on fundamental mathematical strands and integrates mathematics into other subject areas. The curriculum is based upon an extensive body of research related to how students learn mathematics and provides opportunities for all students to develop mathematical proficiency. The mathematics curriculum outlined in curriculum guides and pacing charts is aligned to the Common Core State Standards for Mathematics and multiple literacies, i.e., numeric, graphic, financial, textual, graphic, visual, multimedia, and digital. The curriculum guides represent a scope and sequence of instruction. Guides and pacing charts delineate what mathematics students need to know and be able to perform. These documents provide the blueprint for rigorous content in mathematics curriculum.

The early years in mathematics education provide a foundation for future mathematics learning through hands-on and real world activities. K-8 mathematics classrooms exceed state standards by requiring 90 minutes of uninterrupted, daily mathematics instruction. The District has instituted algebra in grade 8. The goal is to support students based on their readiness level. These opportunities exist throughout the mathematics pipeline from kindergarten to grade 12.

K-12 students who struggle in mathematics will be identified based on test results from benchmark assessments and grades to receive additional support through all-inclusive support services. In addition, ninth grade students who have been identified as needing additional support will receive a double dose of algebra in grade 9. High school students complete Algebra I, Geometry, Algebra II, and one additional higher level mathematics course. Those who take Algebra I prior to high school can begin with Geometry. All high school students must complete four years of mathematics to meet graduation requirements regardless of where they begin. Students interested in challenging themselves are encouraged to enroll in Pre-AP/honors and Advanced Placement courses in mathematics.

Technology plays an integral role in the conceptual development of strong mathematical ideas with understanding. Technology helps to support student investigations into every area of mathematics and facilitates a focus on decision making, reflection, reasoning, and problem solving. Whether the technology is graphing calculators, Geometer's Sketchpad, Tinkerplots (dynamic software), motion detectors (Calculator Based Rangers), or video on real news; it will play an essential role in our classrooms to bring the mathematics to life.

The instructional framework for teaching mathematics includes explicit instruction, whole group instruction, small group instruction centered on rigorous tasks, small group differentiated instruction, higher-order questioning strategies, multiple literacy strategies, and more. Mathematics learning requires actively engaged students. Teachers focus instruction on meaningful development of essential mathematical ideas outlined in curriculum guides and state standards. New concepts and skills are developed through real world problem-solving opportunities to support a relevant education. Cooperative learning enables small groups of students to discuss, explore, discover, make conjectures, and use appropriate technology to develop conceptual understanding. Whole group collaboration follows

with discussion of the specific concepts, connections, and predictions. As students develop numeracy skills and concepts, they become more confident and motivated in the expression of their mathematical abilities. They learn to enjoy and value mathematics, think analytically, and understand the role of mathematics in everyday life.

The District's mathematics curriculum is supported in building student capacity through the inclusion of the following departmental programs and projects:

- District-wide K-12 Mathematics Professional Development
- District-wide K-12 Mathematics Instructional Specialists and Coaches Meetings
- Common Core State Standards for Mathematics Transition
- Districtwide Mathematics Lead Teachers Meeting
- Detroit Public Schools-Wayne State University Partnerships
- University of Michigan Architecture Prep
- Woodrow Wilson Teacher Fellows
- Seventh Grade Pre-algebra
- Eighth Grade Algebra I
- Academic Games™
- Chess League
- STEM Summer Camp (e.g., Summer Engineering Experience for Kids, West Point STEM Camps, and Bitmap for Girls)

Mathematics Interventions - The following interventions are used to support the comprehensive mathematics program:

Renaissance Learning Accelerated Math - Accelerated Math is a progress-monitoring software tool that manages and monitors mathematics skills practice, from first grade mathematics through calculus. Customized practice assignments and tests are printed and each student's work is scored and results are reported immediately.

Response-to-Intervention incorporated in our daily work -

Tier 1 - Ongoing

Classroom teachers Incorporate guiding questions to assess understanding (checkpoints, monitor and give individual feedback).

Tier 2 - Strategic

When targeted assistance is needed, teachers form small group settings in their classroom.

Tier 3 - Intensive

Teachers incorporate supplemental programs, i.e., Intervention module, Accelerated Math, free online tutorial through Khan Academy <http://www.khanacademy.org/> (website-videos, practice)

Online Tutorial programs are available through the DPS HUB - The mathematics program feature has a part of the support materials "Lesson Tutorial" videos that are aligned with the instructional materials used in the classroom. These videos offer additional examples with hints as well as prerequisite reviews to assist struggling students. These videos are found on Parent and Student Learning Village.

Cambium-V-Mathematics Interventions - Is both a researched and scientifically base program with demonstrated success in accelerating math skills acquisition for students with disabilities, thereby improving their academic skills aligned with their Individual Educational Plan (IEPs). VPORT is an online data management system used to store, organize, manage, and report student data. Data is available for

review at the student, classroom, building, and district level 24 hours per day, seven days per week by the teacher, coaches, and administrators.

The District currently has partnerships with several universities, e.g., WSU, UDM, UM, and MSU. The District will continue to expand opportunities for students to participate in dual enrollment. The District is looking for ways to expand these opportunities and is beginning to work with CTE programs to connect with university and college programs at the beginning stages of planning. A listing of several collaborations can be found in the STEM section.

Office of Science

The K-12 Comprehensive Science Plan provides a curriculum and instructional guide for science teachers. The intention of the science curriculum structure is to create consistent, cohesive, and high quality teaching and learning district-wide in science across the District. This is significant in order to enable better collaboration between colleagues, less disruption for transient students, and focused instructional outcomes. Additionally, the use of Driving Questions, Scientific Explanations, hands-on investigations, and technology integration throughout the curriculum provides an inquiry-based and literacy-laced environment. Instructors are challenged to create lessons that are rigorous, relevant, and engaging. The science curriculum also encourages partnerships with local non-profits, institutions of higher education, businesses, and educationally enriching environments, to allow students to experience science connections in the real world. During 2015-2016, Science Saturdays K-12 PLCs were held monthly which utilized teacher-leaders alongside instructional specialists from the Office of Science Education as the facilitators for these sessions. Teachers who attended the Saturday professional development experienced hands-on activities, content, and ideas for the upcoming curricular units. The feedback from these sessions was extremely positive, and assisted teachers in making the curriculum come alive in the classroom.

The vertical (K-12) and horizontal (across the grade level) alignment of the science curriculum is constantly being reviewed to address issues related to the learning and data cycles. The K-12 science curriculum has instructional units that cover multiple Grade Level Content Expectations, include pre- and post-test, and are organized by a Driving Question that students investigate throughout the unit. At the end of each unit, students should be able to construct a Scientific Explanation that answers the Driving Question with a claim and multiple pieces of evidence gained either through text, experience, investigation, or instruction. There are between four to six units during an academic school year. Additionally, at the elementary level, the science units have been re-arranged in order to best align with the literacy units that contained science content, in order to best support cross-curricular teaching in grades K-6. Additionally, for middle school level, grade level themes were developed that encompassed all units for the entire year. Finally, ancillary programs that best support and enhance science instruction are encouraged, and a document was created that identifies programs and field trips that best align with each unit for K-8 to assist both teachers and administrators in identifying the best use of funds and instructional time with enrichment experiences.

High school graduation requirements demand three credits of science (biology is mandated, then students can take either physics or chemistry, and one additional science elective). Some of the electives offered at the high school level are forensics, robotics, environmental science, and earth science. Many high schools have had guest speakers and outreach programs from our local universities such as Eastern Michigan University, Michigan State University, Oakland University, University of Michigan, and Wayne State University. Advanced Placement (AP) science courses are also offered at some high schools.

Technology is a critical element of science and science instruction. It is imperative to integrate technology in instruction, and utilize it in a manner that enhances the Science experience and deepens the content knowledge for the student. There are digital resources for curriculum available through the DPS HUB.

Science materials are available in a digital format. Teachers are encouraged to share digital content through the internet, PowerPoint presentations, interactive white boards, document cameras, and Flex cams. Examples of how and when to use these technology components are in the curriculum guides provided and are highlighted at professional development sessions. Additionally, the use of probeware and data collection tools is encouraged. Finally, identifying technology that can support, challenge, and engage students individually is an important element in differentiated instruction. To that end, the Office of Science, in collaboration with the Detroit Mathematics and Science Center, created a document that includes helpful science links for students and parents. This document, as well as multiple other helpful links, is available on our detroitk12.org website on the science page.

The Office of Science Education also manages the Detroit Children's Museum, which provides experiences that are aligned to the current curriculum content in a hands-on and interactive environment. The Detroit Children's Museum provided services to over 90,000 Detroit Public Schools' students contacts in the 2015-2016 school year through outreach programs, the lending collection museum visits, and our Family Saturdays.

The District's science curriculum is supported and enhanced by participation in the following:

K-8 Science enrichment opportunities:

- AWIM (A World in Motion) engineering program
- BaySail
- Belle Isle Aquarium/Conservatory Partnership
- Camp Invention @ The Detroit Children's Museum
- Cranbrook Partnership schools
- DAPCEP (Detroit Area Pre College Engineering Program) In school and Saturday program
- Detroit Children's Museum programming
- Detroit River Water Festival
- Detroit Zoo/Belle Isle Nature Zoo partnership
- Engineering is Elementary
- Farm 2 School Centers (school gardens and nutrition education)
- Family Science and Family Engineering
- Future City Competition
- Girls are IT
- Girls Exploring Engineering @ WSU
- Grand Prix Fifth Gear
- Go GREEN Challenge
- Green Living Science
- Greening of Detroit
- Heroes Alliance
- MTU NSBE Alternative Spring Break/Family Engineering events
- Recycling (Recycle Here! and Green Living Science)
- Robotics
- Science Fair
- STEAM after school program
- You Be the Chemist

High School Science enrichment opportunities:

- ACT-SO
- DAPCEP Saturday programs

- Environmental Justice
- Farm 2 School Centers (school gardens and nutrition education)
- Go GREEN Challenge
- Internships
- Junior Science and Humanities Symposium
- Mazda STEM
- MTU NSBE Alternative Spring Break//Engineering Presentations
- Recycling (Recycle Here! and Green Living Science)
- Remotely Operated Vehicle (ROV)
- Robotics
- Science Fair
- STEAM after school program
- University outreach programs
- WSU Detroit Pre-Medical Scholars Program
- Woodrow Wilson Teaching Fellows (STEM background)

Science, Technology, Engineering, and Mathematics (STEM) Related Programs

The District has placed added emphasis on Science, Technology, Engineering and Mathematics (STEM) subjects by strengthening the academic curriculum and increasing student access to and participation with STEM related activities and programs. The Office of Science and the Office of Mathematics Education, in collaboration with the Detroit Mathematics and Science Center, provided over \$30,000 in mini grants to Science and Mathematics teachers in the District during the 2015-2016 school year. Teachers were awarded materials for their classroom related to mathematics or science, buses for field trips, admission to museums, and many other items that provided enriching experiences for students.

Detroit Public Schools is in a partnership with the Woodrow Wilson Teaching Fellowship, a highly competitive program that recruits people with STEM degrees or backgrounds into the teaching field. During the 2013-2014 school year, the District hosted 12 fellows in four Detroit Public Schools. Our students truly benefit from the real world STEM expertise these fellows bring to the classroom, and the fellows are at a great advantage because they are learning under some of our best teachers. This partnership involves Eastern Michigan University, Michigan State University, University of Michigan, and Wayne State University.

Office of Science Innovative Programs (moving forward):

- Belle Isle Aquarium/Conservatory Partnership
- Cross Curricular Connections/alignment across content areas
- District-wide recycling
- Family Engineering, Family Math, or Family Science Events at every school
- School gardens
- Science enriching activities at every school
- STEAM (Arts Infused Science instruction)
- “Visiting Scientist at Every School”

Office of Mathematics Education innovative STEM related programs are:

- Academic Games
- Detroit Area Pre-College Engineering Program (DAPCEP)
- Family Engineering, Family Math, or Family Science Events at every school
- Mathematics Bee

- Project SEED
- Robotics (Project Based learning)
- Robotics at the Grand Prix Annual Auto races
- Robotics, Engineering and Technology Day (RET)
- Science Engineering Fair in Metropolitan Detroit
- Summer Engineering Experience for Kids (SEEK) Camp for grades 3-5 students (Project Based learning)
- Transportation and Civil Engineering (T.R.A.C.) (Project Based learning)
- University of Detroit Mercy (UDM), Georgia Tech and DPS Collaborative
- WSU Math Corp for middle and high school students
- West Point Leadership and Ethics Conference for students
- YES! Expo at Ford Field, companies and universities STEM Career Fair

The Detroit Mathematics and Science Center collaboration is one of many programs between Office of Science and Office of Mathematics Education.

Social Studies

The Office of Social Studies provides curriculum and instructional support and leadership to the District's schools. The social studies curriculum for Detroit Public Schools is designed to teach students the content knowledge, intellectual skills, and civic values necessary for fulfilling the duties of citizenry in a participatory democracy and to also effectively engage in the global society.

The curriculum is based on national standards for social studies, the College, Career and Civic Life (C3) Framework for Social Studies and Common Core Standards and is continuously revised to provide the most current researched-based approaches to content instruction and assessment. It is based on a system of disciplinary inquiry that closely supports the Common Core State Standards for Literacy. It also takes into consideration the developmental stages of children by beginning in kindergarten with the course entitled, *Myself and Others*, that is used as a foundation from which to expand students' learning about the world. The social studies curriculum culminates with the final required course offered in eleventh grade, *World History and Geography*. Twelfth grade students may select from an array of elective and Advanced Placement courses. The elementary and middle school curriculum shows the students an ever-broadening view of the world while each high school course has a disciplinary focus. All courses are integrative using as pillars the core social studies disciplines of economics, civics, history, and geography. The curriculum also integrates across the other social science disciplines and other content areas with an emphasis on literacy and using current technology. Service Learning and personal finance are essential components of social studies and are included in each course to varying degrees.

Social studies electives available to high school students include: African American History, African Civilizations, Anthropology, Asian Studies, African Studies, Basic Law, Criminal Law, Ethnic Studies, Latin American Studies, Living Skills, Native American Studies, Psychology, Sociology, Social Responsibility, Student Government, and Test Taking Skills.

To provide increased rigor and college readiness, the following Advanced Placement courses are offered: European History, Macroeconomics, Government and Politics: Comparative, Microeconomics, Psychology, Government and Politics: United States, United States History, and World History.

Teachers are encouraged to use the Powerful and Authentic Social Studies (PASS) model for instruction. This inquiry-based model involves the in-depth study of meaningful concepts that require the use of primary sources and higher order thinking skills as outlined in Bloom's Taxonomy along with using strategies and activities that replicate tasks performed in life beyond the classroom. This model also

requires integration across content areas and across social studies' disciplines and allows for differentiation of instruction.

In developing curriculum, selecting materials, and in instruction, the tenets of African-centered education and multicultural education are followed. Particular respect is given to the diversity and equality of mankind and how culture influences learning, behavior, and perspectives. Core Democratic Values, which are common beliefs essential to our society, are infused throughout the curriculum.

The Office of Social Studies provides rigorous and relevant professional development for teachers and administrators. Workshops are also offered to parents to assist them in helping their children at home. The office also supports many enrichment programs and activities for students that enhance learning and application of social studies content including:

Restorative Practices: A social science that promotes and strengthens positive school culture and relationships. District-wide training and ongoing support are provided to schools and support staff.

Anti-Bullying: Creating Good Citizen Programs: Includes a curriculum and programs to assist staff and parents in combating bullying. In the context of the social studies curriculum, teachers promote anti-bullying while fostering good citizenship. Annual camps, conferences, and workshops are held to promote anti-bullying and good citizenship.

Cultural Heritage Activities: Includes a curriculum that helps students to conduct an in-depth study of cultures using the core social studies' disciplines; as a culminating activity, students are invited to submit samples of their study and participate in a cultural heritage gala.

Culturally Influenced Social Studies: Includes technology-based units built in collaboration with teachers and community that focus on providing perspectives of peoples that are often omitted unintentionally or by design.

Detroit Public Schools' Social Studies Olympiad: The Social Studies Olympiad is a fun and challenging competition that encourages students to learn and apply essential concepts.

Financial Literacy Programs: Money Wise programs are offered to all high school economics students. Money Smart Week activities are available to students of all grade levels.

Geographic Information Systems: Online and teacher-led courses and after school programs that lead to certificates and careers in the field of Geographic Information Systems.

Geographic Information Systems (GIS) Saturday Academy: This supplemental program will provide high school students enhanced concentration, mentor support, and internship opportunities as they gain skills and certificates that will enable them to become GIS professionals.

Mock Elections: Students learn the importance of democracy through mock elections held during every major city, state, and national election season.

Service Learning Showcase: Students showcase service learning projects that have a curriculum connection, address a community need, involve research, and include community partnerships and action.

Teen Court: In partnership with the Wayne County Prosecutor's Office, the Teen Court experience is designed to reduce the likelihood of incarceration for juvenile misdemeanor

offenders and to foster interest in careers in the legal profession. This program is connected to basic law and criminal justice courses. Teen Court also promotes positive behavior in the youthful offenders and in the students involved in the program.

Teen Leadership Institute: The Teen Leadership Institute is a citywide organization that gives students experience in governance. The Institute brings together high school students from across the city to engage in Service Learning Projects, Bill Writing, Mock Jury Trials, Parliamentary Procedures, Fundraising, Michigan Youth in Government Conferences, and other activities that strengthen their leadership and communication skills and prepare them for college and beyond.

International Education Week: This program provides students with information about global educational and career opportunities as well as information about various cultures.

Lemonade Day: A cross curricular economics unit that will culminate with students operating a business in the form of lemonade stands.

Professional Learning Communities (PLC): The Office of Social Studies will facilitate Professional Learning Communities around challenging topics and to provide support and updates to participants. The PLCs will include Lead Social Studies Teachers, Culturally Responsive Teaching, Teen Court, Teen Leadership Advisers and Service Learning.

Summer School Programming for Grades 3-8: Summer school will be offered to students in grades 3-8 with an emphasis on differentiating instruction and reinforcement of important social studies concepts. The summer school courses integrate content across the curriculum.

Early Childhood Education

The District of Detroit Public Schools, Office of Foundation for Early Learners offers comprehensive quality programs for students starting at age four. Through the Great Start Readiness Program and Title I, students are provided a full-day early learning experience. Staffed with highly qualified teachers and associate teachers, learning is facilitated through developmentally appropriate lessons that are scientific and research based. Students engage in daily activities that foster growth in the eight domains of learning; Language Development, Literacy, Mathematics, Science, Creative Arts, Social-Emotional Development, Health-Physical Development, and Nutrition. Detroit Public Schools' early childhood programs are dynamic and inclusive, as such students with special needs are welcome in the District's programs. Intervention and support are provided through the Office of Specialized Student Services utilizing the Resource Coordinating Team model.

During fiscal year 2014, the programs served 3,074 pre-kindergarten students in 65 buildings throughout the District.

In September 2014, the Detroit Public Schools partnered with two non-profit agencies, Development Centers, Inc. and Southwest Counseling Solutions, Inc., to offer 16 additional early childhood classrooms for ages 0-5 opening Head Start pre-kindergarten classrooms at Earhart, Durfee, Gompers, and Mark Twain. In total, DPS houses 183 programs to provide over 3,000 eligible four-year-olds with a high quality early learning experience.

English Language Arts - Foundation for Early Learners Pre-kindergarten students receive rich literacy activities through the use of effective teaching strategies and meaningful learning experiences, delivered through a scientific research-based methodology developed by the High Scope Foundation. The High Scope Curriculum focuses on dimensions of school readiness that include approaches to learning, social

and emotional development, physical development and health, language, literacy, and communication, mathematics, creative arts, science and technology, and social studies. This program is augmented with supplemental resources that are student centered, promote higher order thinking, decision-making, and problem-solving skills. The Early Learning Expectations and High Scope Key Developmental Indicators align with the demands of the Common Core Learning Standards reflecting the Common Core's emphasis on literacy instruction across disciplines.

Mathematics - Foundation for Early Learners Pre-kindergarten students receive early math concepts through the use of instructional strategies provided through the High Scope curriculum. The High Scope math curriculum is a comprehensive set of detailed plans for small and large group activities which focus on number, geometry, measurement, algebra, counting, part-whole relationships, shapes, patterns, and data analysis.

The early learning expectations for three- and four-year old children support kindergarten common core standards by describing the knowledge and skills typically developing children might reasonably be expected to acquire as a result of experiencing a quality learning environment in the preschool years.

The Early Math Learning Expectations (ELE) along with High Scope Key Developmental Indicators (KDI) are in alignment with the Math Common Core Standards. The chart below gives a brief design that aligns the Early Math Learning Expectations and High Scope KDIs with Common Core Standards (CCSS).

Foundation for Early Learners

Alignment of Key Developmental Indicators (KDI) and Child Observation Record (COR) with Common Core Standards

Mathematics

Common Core Standards	KDI	COR
Counting and Cardinality Know number names and the count sequence	E. Mathematics	VI. Mathematics and Science
K.CC.1 Count to 100 by ones and by tens.	32. Counting: Children count things.	BB. Counting
K.CC.2 Count forward beginning from a given number within the known sequence (instead of having to begin at 1).	E. Mathematics	VI. Mathematics and Science

Common Core Standards	KDI	COR
K.CC.3 Write numbers from 0 to 20. Represent a number of objects with a written numeral 0-20 (with 0 representing a count of no objects). Count to tell the number of objects.	32. Counting: Children count things. E. Mathematics	BB. Counting V. Language and Literacy
K.CC.4 Count to tell the number of objects. Understand the relationship between numbers and quantities; connect counting to cardinality.	31. Number words and symbols: Children recognize and use number words and symbols. 32. Counting: Children count things.	X. Writing
a. When counting objects, say the number names in the standard order, pairing each object with one and only one number name and each number name with one and only one object. b. Understand that the last number name said tells the number of objects counted. The number of objects is the same regardless of their arrangement or the order in which they were counted. c. Understand that each successive number name refers to a quantity that is one larger.	E. Mathematics 32. Counting: Children count things. +	VI. Mathematics and Science BB. Counting

Common Core Standards	KDI	COR
<p>K.CC.5 Count to answer “how many?” questions about as many as 20 things arranged in a line, a rectangular array, or a circle, or as many as 10 things in a scattered configuration; given a number from 1-20, count out that many objects.</p>		
<p>Compare numbers K.CC.6 Identify whether the number of objects in one group is greater than, less than, or equal to the number of objects in another group, e.g., by using matching and counting strategies. (Include groups with up to ten objects.)</p> <p>K.CC.7 Compare two numbers between 1 and 10 presented as written numerals.</p>	<p>E. Mathematics 32. Counting: Children count things.</p> <p>31. Number words and symbols: Children recognize and use number words and symbols.</p>	<p>VI. Mathematics and Science BB. Counting</p>
Common Core Standards	KDI	COR
<p>Number and Operations In Base Ten</p> <p>Work with numbers 11-19 to gain foundations for place value</p>	<p>E. Mathematics</p> <p>33. Part-whole relationships: Children combine and separate quantities of objects.</p>	<p>VI. Mathematics and Science</p> <p>BB. Counting</p>
<p>K.NBT.1 Compose and decompose numbers from 11 to 19 into ten ones and some further ones, e.g., by using objects or drawings, and record each composition or decomposition by a drawing or equation (such as $18 = 10 + 8$); understand that these numbers are composed of ten ones and one, two, three, four, five, six, seven, eight, or nine ones.</p> <p>Operations and Algebraic Thinking</p> <p>Understand addition as putting together and adding to, and understand subtraction as taking apart and taking from.</p>	<p>E. Mathematics</p> <p>32. Counting: Children count things.</p>	<p>VI. Mathematics and Science</p> <p>BB. Counting</p>

Common Core Standards	KDI	COR
<p>K.OA.1 Represent addition and subtraction with objects, fingers, mental images, drawings (drawings need not show details, but should show the mathematics in the problem), sounds (e.g., claps), acting out situations, verbal explanations, expressions, or equations.</p> <p>K.OA.2 Solve addition and subtraction word problems, and add and subtract within 10, e.g., by using objects or drawings to represent the problem.</p> <p>K.OA.3 Decompose numbers less than or equal to 10 into pairs in more than one way, e.g., by using objects or drawings, and record each decomposition by a drawing or equation (e.g., $5 = 2 + 3$ and $5 = 4 + 1$).</p>	<p>E. Mathematics</p> <p>32. Counting: Children count things.</p> <p>E. Mathematics</p> <p>33. Part-whole relationships: Children combine and separate quantities of objects.</p>	<p>VI. Mathematics and Science</p> <p>BB. Counting</p> <p>VI. Mathematics and Science</p> <p>BB. Counting</p> <p>VI. Mathematics and Science</p> <p>BB. Counting</p>
Common Core Standards	KDI	COR
<p>K.OA.4 For any number from 1 to 9, find the number that makes 10 when added to the given number, e.g., by using objects or drawings, and record the answer with a drawing or equation.</p>		<p>VI. Mathematics and Science</p> <p>BB. Counting</p>
<p>Understand addition as putting together and adding to, and understand subtraction as taking apart and taking from.</p> <p>K.OA.5 Fluently - add and subtract within 5.</p>	<p>E. Mathematics</p> <p>32. Counting: Children count things.</p>	

Common Core Standards	KDI	COR
<p>Measurement and Data</p> <p>Classify objects and count the number of objects in each category.</p>	<p>E. Mathematics</p> <p>32. Counting: Children count things. 34. Shapes: Children identify, name, and describe shapes.</p>	<p>VI. Mathematics and Science</p> <p>Y. Sorting objects BB. Counting</p>
<p>K.MD.3 Classify objects into given categories; count the numbers of objects in each category and sort the categories by count. (Limit category counts to be less than or equal to 10.)</p>		
<p>Geometry</p> <p>Identify and describe shapes (such as squares, circles, triangles, rectangles, hexagons, cubes, cones, cylinders, and spheres)</p> <p>K.G.1 Describe objects in the environment using names of shapes, and describe the relative positions of these objects using terms such as above, below, beside, in front of, behind, and next to.</p>	<p>E. Mathematics</p> <p>34. Shapes: Children identify, name, and describe shapes. 35. Spatial awareness: Children recognize spatial relationships among people and objects.</p> <p>E. Mathematics</p> <p>34. Shapes: Children identify, name, and describe shapes.</p>	<p>I. Mathematics and Science</p> <p>CC. Identifying position and direction EE. Identifying materials and properties</p> <p>VI. Mathematics and Science</p> <p>EE. Identifying materials and properties</p>

Common Core Standards	KDI	COR
K.G.3 Identify shapes as two-dimensional (lying in a plane, "flat") or three-dimensional ("solid").	E. Mathematics 34. Shapes: Children identify, name, and describe shapes.	VI. Mathematics and Science EE. Identifying materials and properties
<p>Analyze, compare, create, and compose shapes.</p> <p>K.G.4 Analyze and compare two- and three- dimensional shapes, in different sizes and orientations, using informal language to describe their similarities, differences, parts (e.g., number of sides and vertices/"corners") and other attributes (e.g., having sides of equal length).</p> <p>K.G.5 Model shapes in the world by building shapes from components (e.g., sticks and clay balls) and drawing shapes.</p> <p>K.G.6 Compose simple shapes to form larger shapes. For example, "can you join these two triangles with full sides touching to make a rectangle?"</p> <p>Identify and describe shapes (such as squares, circles, triangles, rectangles, hexagons, cubes, cones, cylinders, and spheres)</p> <p>K.G.2. Correctly name shapes regardless of their orientations or overall size.</p>	<p>E. Mathematics 34. Shapes: Children identify, name, and describe shapes.</p> <p>E. Mathematics 34. Shapes: Children identify, name, and describe shapes.</p> <p>E. Mathematics 34. Shapes: Children identify, name, and describe shapes.</p> <p>E. Mathematics 34. Shapes: Children identify, name, and describe shapes.</p> <p>E. Mathematics 34. Shapes: Children identify, name, and describe shapes.</p>	<p>III. Creative Representation I. Making and building models</p> <p>VI. Mathematics and Science EE. Identifying materials and properties</p> <p>VI. Mathematics and Science EE. Identifying materials and properties</p> <p>VI. Mathematics and Science AA. Comparing properties</p>

Science and Technology - Foundation for Early Learners Pre-kindergarten students receive early science concepts through the use of the High Scope curriculum. High Scope implements early science through the use of instructional strategies which include observing early learners as they explore their world by classifying, experimenting, predicting, drawing conclusions, and communicating ideas. Early childhood students are also encouraged to use technology in the classroom. Many of the classrooms have interactive white boards and desktop computers to ensure the youngest students are equipped with the necessary skills to operate in a global society. In addition, teachers are involved in professional development to assist with the teaching and learning of the current trends in technology for early childhood education.

Social Studies - Foundation for Early Learners Pre-kindergarten students receive early social skills concepts through the use of the High Scope curriculum instructional strategies. Those strategies include

engaging students in key areas of social learning such as self-identify sense of competence, emotions, empathy, community, building relationships, cooperative play, moral development, and conflict resolution.

In the ELE and Key Developmental Indicators, align with the demands of the Common Core Learning Standards reflecting the Common Core's emphasis on literacy instruction across disciplines.

Extended Learning Opportunities - The Foundation for Early Learners provides students with a variety of extended learning opportunities in literacy to ensure all students are provided the additional support and time needed to meet and exceed ELA expectations.

PNC Grow up Great - The PNC Grow Up Great Initiative has an Executive Readership Program. This initiative allows PNC executives an opportunity to read the first Tuesday of every month for one hour in 28 Grow Up Great classrooms. The 15 executives read a different book each month for the entire school year. During the visit, the executive reads the book and then engages the students with an activity based on the literature. Finally, the book is donated to the classroom to support the PNC Grow Up Great classroom library.

Summer Academy - The Foundation for Early Learners provide a Summer Academy for pre-kindergarten students. Instruction includes daily developmentally appropriate practices which will provide opportunities for an integrated technology, writing, literacy, mathematics, science, and art curriculum.

Volunteer Reading Corps - The Volunteer Reading Corps program is an early intervention plan created by the District and The Detroit Free Press. This initiative depends on volunteers to tutor students in reading. Each volunteer is asked to serve at least an hour a week. The program's organizers have set up a 30-minute structured module which is used with an individual/group of students on a weekly basis. The goal is for each tutor to continue working with the same child pre-kindergarten through third grade.

Teaching and Learning Support

Wrap-around Services - Critical to meeting the needs of general and special education students are the support structures to teaching and learning rigorous content. These structures ensure a safe, stable, and nurturing school environment for students, which include:

- Guidance Counselors
- Attendance Agents
- Psychologist
- Social Workers
- Speech and Language Services
- Occupational Therapist
- Physical Therapist
- Music Therapist
- Teacher consultants for each disability
- Vision and Hearing Screening
- Uniform Vouchers
- Transportation services for general and special education students
- Homeless student support
- Migrant student support
- Safe Routes to School
- Universal Breakfast, Lunch, and Snack
- Anti-bullying Initiatives
- Homebound services for ill students

Comprehensive Assessment Programs

To support teaching and learning, Detroit Public Schools implemented a comprehensive assessment program that is aligned with the curriculum and includes a variety of evaluation methods designed to assess and monitor student progress. These include:

- Examining trends in MEAP and MME data over the course of the last three years to determine areas of focus
- Administration of the STAR Reading and Mathematics in Grades K-12
- Administration of the Measures of Academic Progress (MAP) Assessment for students in grades K through 11 to assess student growth in the academic areas of reading, language usage, mathematics, and science.
- Spring administration of the M-Step in grades 3-8 and 11

District-wide Professional Development

In support of the District's mission to ensure achievement of high academic standards by all students, the District's Professional Development Plan is premised on delivering research-based learning experiences aimed at advancing performance for all teachers, support staff, and administrators. As a related objective, the Professional Development Plan also charts pathways for professional growth and career advancement that will produce a highly efficient and well-trained workforce. The end result will be increased student achievement by ensuring that each child receives quality instruction from a highly effective teacher throughout their learning experiences in Detroit Public Schools. At the end of the 2015-2016 school year, Detroit Public Schools had an increase in the number of teachers attending professional development sessions across the district. We believe the increase can be attributed to the high-quality professional development offered from various departments. There was also a concentrated effort of support provided to teachers that had previously been labeled minimally effective and ineffective through job-embedded professional development at the school level and services provided through the district-level instructional specialists in the content areas.

Differentiated Learning Approach to Professional Development

Content: What?

A process framework will be implemented that displays the knowledge and skills (content) expectations for the District's professional development. The framework will include processes that depict prioritized, essential, expected, and enriched learning experiences for all instructional professional and paraprofessional roles driven by student performance data. One of the examples that we will highlight that was put in place is the emphasis on personalized professional development for staff. Teachers, paraprofessionals, and administrators were able to take advantage of on-demand professional development through our Professional Development Portal - PD360. The portal contains thousands of videos that enhance teaching practice by providing actual classroom footage of teachers instructing using best practices, as well as strategies presented by leading educators and researchers such as Robert Marzano and Charlotte Danielson.

Process: How?

The District will incorporate a reflective study that improves quality teaching and learning by requiring that all professional development is measured and monitored. The development of essential knowledge and skills is accomplished through job-embedded professional learning. This view reflects a belief that teachers' knowledge and skills are dynamic rather than static. In other words, knowledge about teaching is continually generated through the study and reflection of their teaching practices. Professional growth is guided by beliefs, quality teaching, and data-driven practices and is critical to successful implementation. DPS has a comprehensive teacher evaluation and professional growth system that allows educators to monitor their instructional practices and receive feedback from administrators. The system begins with teachers developing a professional learning plan (PLP) and setting goals in the areas in which they would like to strengthen their practice. Administrators review the plans and help the educators monitor their progress through periodic observations and post-observation conferences.

Context: Why?

Professional learning is driven by student results, i.e., NWEA-MAP, MEAP, MME, Pre-and Post-tests, and other student performance measures. The theory of action that drives the District is building the belief that all children can learn and building the capacity of adults to help them do so. This belief drives the District's professional development design: clear, appropriate targets, belief in the capacities of children (and the adults who teach them), and use of data to evaluate progress and aid in formulation of strategy. The belief is that effective effort by students is the key to high-level learning, and the use of clear targets and data drives transformative strategies. In order for student achievement to increase, we must invest time in professional development for our teachers, administrators, and support staff. Ongoing professional development is provided for all of the content areas on a monthly basis.

Detroit Public Schools Professional development activities must:

- *Have a clear focus on learning and learners*
- *Target both individual and organizational change*
- *Make small changes guided by an overarching vision*
- *Be ongoing and procedurally embedded to reinforce and promote learning*

The District has undertaken a systemic overhaul of its professional development planning process to implement a results-oriented model that:

- *Improves student achievement through the monitoring of each employee's development and ensures that each student has a highly effective educator as their instructor*
- *Offers sustained professional learning reinforced through targeted follow-up support activities*
- *Aligns PD activities with District goals, student instructional needs, and individual teacher needs*
- *Provides a tiered level of support for professional learning based on the school's accountability level*
- *Offers professional development that aligns to the State's Differentiated Accountability requirements*
- *Expands the depth of specific professional learning experiences while narrowing the focus to emphasize research-based professional development that directly impacts teaching and learning*
- *Reduces isolated workshops*
- *Increases the availability of school-based offerings*
- *Facilitates coordination among the District and Regional staff that provide and oversee professional development*

To ensure that the Professional Development Plan targets District-wide professional development needs, the plan incorporates data and information collected from the following sources:

- *Multiple sources of student achievement data*
- *Needs assessment surveys of instructional personnel and school-based administrators*
- *District strategic goals*
- *Applicable State and Federal mandates*

The District's professional development accommodates diverse methods of professional learning, spanning collective training opportunities for broader audiences as well as targeted professional development to support individual growth. In addition to ensuring that new skills are applied to classroom instruction as a result of participation in professional development activities, continuous monitoring allows the District to chart future professional development needs. Information collected by monitoring PD services and knowledge transfer will identify strengths and weaknesses in curriculum, instruction, and professional development that will in turn shape future instructional and professional development programs. The monitoring of professional development thus becomes an active agent in an ongoing process of continuous improvement.

The regular assessment of professional learning activities also aids the District in establishing meaningful long-range benchmarks that gauge broader programmatic impact. By identifying specific objectives, the District can measure tangible results yielded by professional development initiatives and assess the implications of those results.

Some of our accomplishments during the 2015-2016 school year include the following:

- I. Technology Readiness Infrastructure Training
 - a. Utilizing Technology to Differentiate Instruction
 - i. 45 Schools engaged in an initiative to build capacity at the teacher and student level on the use of digital resources to increase student engagement.
 - ii. Teachers were able to participate in online modules facilitated by representatives in their schools on how to integrate technology in all areas of the curriculum.
 - iii. Ongoing workshops to teach teachers how to utilize netbooks, iPad, tablets, document cameras, data projectors, interactive whiteboards, and classroom response systems (three to five year implementation).
- II. Training Instructional Specialists in Training Techniques
 - i. Two-day follow-up workshops with district level instructional specialists to learn the techniques of training at an optimal level.
 - ii. Guidance and techniques from the Bob Pike Train-the-Trainer center in motivational and engaging strategies to utilize with teachers to keep students interested in learning (two year implementation).
- III. Certified Trainers in the Use of Blackboard Collaborate (Online Collaboration platform that supports virtual classrooms and mobile learning)
 - i. Three staff members within the Office of Professional Development have become certified trainers for BbC.
 - ii. Completed 25 + hours of training and passed the assessment to obtain certification (Obtained Spring 2013).
- IV. Training schedule established to train District Level Instructional Specialists in Best Practices

- V. Observations - Administrators conduct 3-4 observations throughout the year to provide constructive feedback to teachers around the goals that they have set and give opportunities to measure growth.
 - VI. Student Growth - Teachers are able to access their effectiveness through the examination of how students are learning within their classes (district level data (NWEA-MAP and interim assessments used as benchmarks).
- IV. Continued Training for the District in Restorative Practices
- i. Key central office staff members received training.
 - ii. Support staff were selected to support training and implementation of model.
 - iii. A comprehensive Implementation Plan was implemented.

The District works collaboratively with Wayne State University using grant funds to offer a program designed to address the professional development of highly qualified special education teachers in mathematics. The goal is to provide 90 hours of research-based and collaboratively planned professional development (organized around district, state, and national standards) to deepen knowledge in mathematics. This is the fifth year of the program and 25 teachers have been selected annually.

The District works collaboratively with Wayne State University using “Project Pathways Teach Grant” funds which offer a \$5,000 dollar scholarship to noncertified candidates who are interested in teaching in the critical shortage areas of bilingual and special education. The goal of the partnership is to increase the pool of qualified teachers in both of these high-need content areas. Candidates must be employed in one of the following District classifications: Education Technician, Noncertified Substitute Teacher, School Service Assistant, Special Education Aide, and Special Education Trainable Aide. Candidates must have accumulated at least 64 credit hours with a 2.5 cumulative GPA from an accredited college or university. Candidates must commit to completing a Michigan teacher certification program and remain employed with the District for at least five years.

The District applied for and was awarded through an application process funding to initiate the (MIBLSI/MTSS), Michigan Integrated Behavior Learning Support Initiative/ Multi-Tiered System of Support. The project is designed to help schools develop an integrated model of school-wide system of support in reading and behavior. The practices are provided by staff to improve student outcomes. The systems are the structures created to support staff in implementing successful practices. Information is used for decision making, identifying appropriate (evidence-based) practices that meet student need, evaluation of student outcomes as a result of the practices, and evaluation of the structure to support staff implementation efforts. There are currently 12 schools utilizing this initiative and we are expanding the program throughout the District over the next few years.

The District applied for and received grant funds from the U.S. Department of Education in collaboration with the U.S. Department of Education of Justice to assist in the development of practices and strategies to enhance school climate. The District was awarded in the amount of \$705,797 in federal funding to continue the process of building positive school climates by implementing the MDE/.MIBLSI framework district-wide. With the School Climate and Culture Grant, there will be an option to renew over the next five years based on implementation data.

Extended Learning Opportunities

The District continues to provide students with a variety of extended learning opportunities to ensure all students are provided the additional support and time needed to meet and exceed expectations:

Literacy Block - Students are offered meaningful literacy activities that engage them in authentic reading and writing throughout the 90-minute literacy time block. The 90-minute literacy block includes modeled or shared reading, word work, guided reading, independent reading, literature study and independent study work in centers, and follow-up to specific lessons.

Mathematics Block - Students are offered a 90-minute mathematics block to provide all students additional time for instruction, intervention and support for learning. The mathematics block provides activities that focus students' work on cross-curricular connections, multiple representations, differentiated instruction, Rtl intervention, project-based learning, mathematics vocabulary building, Marzano 10, and ongoing progress monitoring to inform instructional decisions, and more.

Extended Day - Provides students in grades 3-8 additional support, intervention, and acceleration in the areas of reading and mathematics. Each day the students experience an extended 2½ hours of instructional time. The extended day program includes one hour for reading, one hour for math, 20 minutes for a nutritional snack break, and five minutes for both class change and dismissal.

Summer Enrichment Academy - The District provides a Summer Academy for students grades 3 through 8. Students received differentiated instruction based on a personalized curriculum that included standards-based lessons for reading and hands-on materials for mathematics at each grade level. Students participated in classes that integrated technology, writing, literacy, and mathematics curriculum into their classes.

Credit Recovery - Students in grades 9-12 who need to recover credits for classes are provided an opportunity. Credit recovery includes course offerings in the four core content areas. Students are afforded the option of participating in one or both of two eight-week credit recovery sessions.

Parent Advisory Council on Student Achievement (PAC-SA)

Parent and Community Engagement 2.0 is a plan to increase parent involvement through new school-based Parent Resource Centers, ongoing training camps that focus on parenting, workshops, and more. This Title I initiative was developed with input from parents and guardians, community leaders, and the Detroit Parent Network.

The District, through a partnership with Detroit Parent Network, operated eight parent resource centers that are comfortable spaces for parents and guardians to meet. The in-school centers, which are geographically placed across the city, provide training and resources to parents of the District's students, helping them be involved in their children's education.

Parent Advisory Council on Student Achievement (PACSA)

This cohort of parents will be trained to focus on the academic improvement of all students in the school. The training will include using data related to academic performance to make suggestions to the leadership of the school.

The ultimate goal is to build capacity in all interested adults to support the efforts of the school and its students, teachers, and principal. Each member of the cohort must complete 15-20 hours successfully of the targeted curriculum in order to be certified as a PACSA member. The curriculum consists of:

- Understanding School Data
- School Culture and Climate
- Title I Parent Involvement
- Presentation Skills

- Conducting Productive Meetings
- Conflict Resolution
- Corporate Support for Academic Initiatives

PACSA members must attend a “Corporate Citizenship Conference” to:

- Share the academic strategy
- Inform on participation opportunities
- Understand what commitment looks like gets their commitment to adopt a cluster of schools

Michigan School Accountability Scorecards

Beginning with the 2011-2012 school year, per the Michigan Department of Education (MDE), implications for not making accountability targets shifted from the AYP Michigan School Report Cards to the Top-to-Bottom list. The Michigan School Accountability Scorecard replaces the Adequate Yearly Progress (AYP) Report Card that was required under the No Child Left Behind Act of 2001 (NCLB). The Accountability Scorecards incorporate AYP determinations as required by federal law. On July 19, 2012, the United States Department of Education approved Michigan’s ESEA Flexibility Waiver Request. Michigan requested flexibility renewal in ten (10) out of fourteen (14) ESEA provisions. The United States Department of Education renewed Michigan’s ESEA Flexibility request on August 13, 2016. Michigan’s approved ESEA Flexibility Renewal allows for the following waivers for accountability:

- 1) The flexibility to establish new Annual Measurable Objectives (AMOs) using the 2015-2016 proficiency rates as the baseline and allowing schools nine (9) years to achieve 85 percent proficiency. ESEA Section 1116 - The approval of Michigan’s request changes the identification method of schools not making AYP and adds a mechanism for recognizing schools that are making significant gains toward and/or meeting rigorous AYP benchmarks.
- 2) ESEA Section 1116 (b) (c) - Exemption from Local Education Agency’s (LEAs) and their Title I schools having to identify for improvement, corrective action, or restructuring, as appropriate, a Title I school that fails, for two (2) consecutive years or more, to make AYP, and for a school so identified and its LEA to take certain improvement actions.
- 3) The requirement in ESEA Section 1114 (a) (1) that a school have a poverty percentage of 40 percent or more in order to operate a school-wide program. The MDE and the State Education Agency (SEA) requests this waiver so that an LEA may implement interventions consistent with the turnaround principles or interventions that are based on the needs of the students in the school and designed to enhance the entire educational program in a school in any of its Priority and Focus schools that meet the definitions of “Priority schools” and “Focus schools,” respectively, set forth in the document titled *ESEA Flexibility*, as appropriate, even if those schools do not have a poverty percentage of 40 percent or more.
- 4) ESEA Section 1003 (a) - The SEA requests this waiver so that it may allocate section 1003 (a) funds to its LEAs in order to serve any of the State’s Priority and Focus schools that meet the definitions of “Priority schools” and “Focus schools,” respectively, set forth in the document titled *ESEA Flexibility*.
- 5) ESEA Section 1117 (c) (2) (A) authorizes an SEA to reserve Title I, Part A funds to reward a Title I school that (1) significantly closed the achievement gap between subgroups in the school; or (2) has exceeded AYP for two (2) or more consecutive years. The SEA requests this waiver so that it may use funds reserved under ESEA Section 1117 (c) (2) (A) for any of the State’s Reward schools that meet the definition of “Reward schools” set forth in the document titled *ESEA Flexibility*.

- 6) ESEA Sections 1116 (a) (1) (A)-(B) and 1116 (c) (1) (A) - Michigan's waiver aligns District and school AYP determinations with the State-developed differentiated recognition, accountability, and support system. The SEA and its LEAs must report on their performance against the AMOs for all subgroups identified in ESEA Section 1111(b) (2) (C) (v), and use performance against the AMOs to support continuous improvement in Title I schools that are not Reward schools, Priority schools, or Focus schools.

The Michigan School Accountability Scorecards include indicators for assessment participation and proficiency on MEAP, MI-Access, and MME. The Michigan Student Test of Educational Progress (M-STEP), Michigan Department of Education's new summative assessment, will replace the MEAP on the 2015-2016 Scorecard. The M-STEP measures student growth. English language arts and mathematics are assessed in Grades 3–8, science in Grades 4 and 7, and social studies in Grades 5 and 8. It also includes the Michigan Merit Examination in 11th grade, which consists of a college entrance exam, work skills assessment, and M-STEP summative assessments in English language arts, mathematics, science, and social studies. Scorecards also include indicators for attendance or graduation rates, educator effectiveness label-reporting completion rates, teacher-student data link collection completion rates, Accreditation School System Review (SSR), Self-Assessment (SA) or the Interim Self-Assessment (ISA) report completion, and School Improvement Plan (SIP) report completion.

Participation

A school must test 95 percent of its students in total and in each required student subgroup defined by federal law. The subgroups are:

- 1) Racial/Ethnic Groups
 - a. Black or African American
 - b. American Indian or Alaska Native
 - c. Asian American
 - d. Native Hawaiian or Other Pacific Islander
 - e. Hispanic or Latino
 - f. White
 - g. Multiracial
- 2) Bottom 30%
- 3) Students with Disabilities
- 4) Limited English Proficient
- 5) Economically Disadvantaged

Objective

The school must attain its differentiated target achievement goal in reading, writing, mathematics, science, and social studies for all students and each subgroup indicated above or reduce the percentage of students in the non-proficient category of achievement by Safe Harbor. Safe Harbor has been suspended until the 2016-2017 school year.

Other Academic Indicators

In addition, the school must meet or exceed the other academic indicators, one of which is attendance or graduation rate, as set by the State:

- 1) Graduation rate for the District and high schools
- 2) Attendance rate for elementary and middle schools

These achievement goals must be reached for each subgroup that has at least thirty (30) Full Academic Year (FAY) students in the group.







Michigan School Accountability Scorecard Met/Not Met

Schools are identified as No Status, Priority, Focus, or Reward schools based on the Top-to Bottom methodology that includes data from achievement, improvement, and achievement gap standardized scores.

Identification	Description	Consequence
Priority School	Schools in the bottom 5% of the Top-to-Bottom ranking	Schools designated as Priority schools must implement one (1) of four (4) intervention models: <ul style="list-style-type: none"> • Turnaround Model • Transformation Model • Restart Model • School Closure • School and District Set Aside
Focus School	Schools with the largest achievement gaps defined as the difference between the average scale score for the top 30% of students and the bottom 30% of students	MDE will provide support: <ul style="list-style-type: none"> • Analyzing achievement data • Facilitating professional dialogue • Customizing interventions • Target efforts toward supporting needs of lowest achievers in the school (likely through strengthening or recalibrating the multi-tiered system of support) • District support for Focus schools required. • Schools cannot receive “green” status on School Report Card or AYP until gaps are minimized.
Reward Schools	Schools in the top 5% of the Top-to-Bottom ranking. Also includes any school that: <ul style="list-style-type: none"> • Is designated as a "Beating the Odds" school. • Is in the top 5% of schools on the improvement metric in the Top-to-Bottom ranking. Schools in the top 5% of the Top-to-Bottom ranking. Also includes any school that: <ul style="list-style-type: none"> • Is designated as a "Beating the Odds" school. • Is in the top 5% of schools on the improvement metric in the Top-to-Bottom ranking. 	School will be recognized for their achievements through communication disseminated to local media. Promising practices will be highlighted at conference, i.e., the Michigan Department of Education’s (MDE’s) School Improvement Conference, etc. School will be recognized for its achievements through communication disseminated to local media. Promising practices will be highlighted at conference, i.e., the Michigan Department of Education’s (MDE’s) School Improvement Conference etc.

The renewed ESEA Flexibility Wavier will allow MDE to establish new Differentiated Proficiency Targets using the 2015-2016 school year as the baseline, allowing schools nine (9) years to achieve 85 percent proficiency.

The Michigan School Accountability Scorecard replaces the AYP Met and Not Met with a six (6)-color scale.

-  **Purple** The District/School has met all applicable Participation and Compliance Factor requirements; has no Full Academic Year (FAY) students.
-  **Green** The District/School has attained 85% or greater of the possible Accountability Scorecard points.
-  **Lime** The District/School has attained at least 70% but less than 85% of the possible Accountability Scorecard points.
-  **Yellow** The District/School has attained at least 60% but less than 70% of the possible Accountability Scorecard points.
-  **Orange** The District/School has attained at least 50% but less than 60% of the possible Accountability Scorecard points.
-  **Red** The District/School has attained less than 50% of the possible Accountability Scorecard points.

The ESEA flexibility waiver covering the 2014-2015 school year recognizes assessment transitions and the impacts on accountability. Transition data will be available in late fall 2016.

As of October 1, 2016, the District currently has twenty-two (22) Priority schools, one (1) Focus School and five (5) Reward Schools. The 2013-2014 school year was the first time schools were able to exit from the Priority status. Twenty (20) schools were exited. The identification of Priority and Focus schools has been suspended until the 2016-2017 school year.

Status	October 2016 Number of Schools	2013-2014 Compiled Number of Schools	Exited Priority Schools as of 2013-2014
Priority	22	42	20
Focus	1	1	0
Reward	5	5	0

We are actively working to address the District issues through our 2013-2017 Strategic Plan, “The Neighborhood-Centered, Quality Schools,” available online at <http://detroitk12.org/strategicplanning>.

Specific curriculum actions are based on the District’s Strategic Plan to:

- I. Broaden Services to Address Student Needs
- II. Support Parents and Families
- III. Offer Broad/High Quality Programs
- IV. Improve Customer Service
- V. Create Safe Learning Environments

- VI. Transform Central and School based services to serve customers better
- VII. Improve Technology
- VIII. Minimize the Impacts of Change
- IX. Foster School-Based Leadership
- X. Celebrate and Promote Success
- XI. Ensure Fiscal Stability
- XII. Improve Attendance and Discipline

Additionally, we will continue to focus on the following District-wide goals and core strategies:

District-wide Goals

Goal 1 - Improve student achievement as measured by:

- 50% of students in Grades 2 through 10 meeting or exceeding their Measures of Academic Progress (MAP) one-year growth target
- Increase in the average composite ACT score for Grade 11 students by at least one-half percentage point above 2013 averages
- Realize a graduation rate of 95% for all incoming Grade 12 students and 75% of graduating seniors enrolled/applied in post-secondary education

Goal 2 - Daily average attendance rate of 90% or better.

Goal 3 - Enhanced policies, procedures, and operational efficiency in order to achieve fiscal year 2013 budget.

Goal 4 - Reduce the District's \$72 million legacy deficit by 20%.

Goal 5 - Improve customer service at every "touch point" of work-parents, unions, staff, and the public.

Four (4) Core Strategies

- Provide a high quality, well-rounded educational experience to all students that is rigorous, relevant, and engaging
- Build strong relationships with students, families, and the community to increase trust and shared responsibility
- Ensuring that every classroom has a high quality effective educator, supported by high-quality effective administrators and support staff
- Align resources to accomplish priorities within a balanced budget

Learning in the Digital Age

The District's students live in a digital world and a global society, and so must be prepared for the challenges of a dynamic, digital world. Currently, the District utilizes technology in a variety of ways. The list below is a compilation of current and future usage:

- Core and supplementary technology-based interventions in core subject areas
- 24/7 applications for remediation, acceleration, and enrichment that truly extend learning beyond the bell
- Online access to textbooks, instructional materials, and library research databases

- Organization of learning resources: lesson plans, pacing guides, and instructional focus calendars on the DPS Hub
- Data Director -A program that allows teachers to utilize test data to drive instruction in the classroom. So far, more than 4,000 teachers have successfully accessed the program, many of whom use it daily
- Parent CONNECT
 - Detroit Public Schools parents can now access a variety of education resources, including online textbooks and class assignments, for their children from anywhere with an Internet connection, thanks to a brand new robust online parent portal.
 - The online portal is part of a District-wide strategy to accelerate the District's transformation into a 21st-century learning environment by enabling parents to continue students' education at home after school hours and on weekends.

Division of Finance

Office of Chief Financial Officer

As of June 30, 2016, the District had a cumulative General Fund deficit of \$251.6 million, of which \$44.0 million was for operating the 2015-2016 school year. For several years the district has been facing continuing financial and budgetary challenges due to the continuing decrease in pupil enrollment and mounting debt payments.

The State of Michigan (Governor's Office, Treasury, Michigan Department of Education, and the legislature) realized it needed to assist the District in repairing its financial condition or it would collapse due to lack of cash. On June 21, legislation was signed for a \$617 million aid package which also created two school districts. Detroit Public Schools (DPS) will exist to collect taxes and pay debt, then it will cease to exist. Detroit Public Schools Community District (DPSCD) was created to educate the students and operate as a regular district without any debt. All the buildings, employees, contracts, etc. were transferred to DPSCD.

The \$617 million legislative package is for DPS, of which \$25 million was transferred to DPSCD. It is estimated that DPS will pay off its debt by 2027.

Division of Operations and Auxiliary Services

Office of Chief Operating Officer

The Operations Division of the District is managed by the Chief Operating Officer (COO), who is responsible for overseeing the Departments of Physical Plant Operations, Environmental Health and Safety, Auxiliary Services and Energy Management, Student Transportation, Food Services, Real Estate, and Capital Improvements.

One major initiative undertaken by the Office of the Chief Operating Officer this fiscal year was to work collaboratively with the city to rectify hundreds of city code violations. The District was able to rectify most of the violations and garner a certificate of compliance for 87 of the 93 school buildings and the other six are pending compliance. The remaining work was roof related and some were completed over the fall and the rest are currently under way.

Department of Physical Plant Operations

The Department of Physical Plant Operations (PPO) provides custodial services, building repair and maintenance, heating and cooling services, and grounds maintenance support for 93 school sites and 15 support locations. The Department is organized into four functional areas: custodial, heating and cooling, building repair, and grounds. These facility service providers support the school district by providing personnel for engineering, custodial, and maintenance services along with management. The Facility Group manages 38 buildings, US Metro Group manages 37 buildings, and Lakeshore-Rickman Joint Venture manages 28 buildings, each bringing a wealth of talent, experience, and innovation to assist the school district support its school buildings.

Office of School Nutrition (aka Food Services)

The Office of School Nutrition (OSN) operates as a special revenue fund, and utilizes a not-for-profit food management company that serves as the school food authority for the District, the Education Achievement Authority (EAA), Highland Park Community Schools (HPCCS), and twenty-eight (28) public school academies, which is a total of 131 school sites. Five of the school sites are located outside the city limits, one in Washtenaw County, and three in Oakland County. As the school food authority, OSN sponsors, administers, manages, and operates five federally reimbursed child nutrition programs under the auspices of the United States Department of Agriculture and the Michigan Department of Education. For five years, OSN has participated in the Community Eligibility Program (CEP), whereby all reimbursable meals are served to students at no charge. In school year 2015/2016, the coordination of the USDA mandated district Wellness Policy was tasked to OSN.

OSN's mission is to provide healthy nutrient dense schools meals to all student grades Pre-K - 12 and non-graded educational sites at no charge. Based on a school site requirement, OSN provides breakfast, lunch, and supper meals. In select schools, OSN offers the Fresh Fruit and Vegetable Program (FFVP). FFVP introduce students to raw fruits and vegetables in order to increase awareness by students eating samples of the items. To ensure every student can participate in the school meals program, OSN provides menu selections that include vegetarian, peanut, gluten, and soy-free menus. OSN participates in the Summer Food Service Program (SFSP) by providing meals during summer recess to park and community sites and summer school. Eligible children who are enrolled in these programs receive a breakfast and hot lunch.

In support of the Healthy and Hunger Free Act of 2010, OSN also provides value-added benefits such as school gardens (80 school gardens), nutrition education programs for both students and parents, and our fourth year of providing summer employment to 100 students. OSN operates a 2.5 acre farm with six extended growing hoop houses and three Farmers Markets. The produce grown in all sites augment fresh produce served in school meals, support STEM education, student achievement and learning, parental involvement, and community engagement.

Paper reduction continues to be a focus of OSN. The use of technology as business applications has improved departmental and school site program compliance and accountability, such as using a Touch Screen monitor to identify students accurately at point of sales.

As a nationally recognized child nutrition program, OSN has received numerous citations and mass media articles of information. The hunger advocacy organization, Food Research Action Committee (FRAC), ranked the District fourth in the nation for feeding 87 percent of the enrollment at school breakfast.

Transportation

Detroit Public Schools enrollment has somewhat stabilized with smaller declines than past years causing transportation eligibility and ridership levels to have experienced a slight decrease. For fiscal year 2015-2016, the Office of Student Transportation provided yellow bus service to approximately 10,230 regular education students and 4,600 special education students, which is a slight increase from fiscal year 2015. The outsourcing of transportation for all eligible students has resulted in the stabilization and maintaining the cost reductions as projected in transportation cost. The District has been able to maintain the number of three (3) tier bus routes and the most cost-effective routes. The District continues to improve on its commitment of providing safe, efficient, and timely transportation for all Detroit Public Schools students. The District has been able to continue the reduction in the number of taxi cabs by 1.5 percent from fiscal year 2013-2014 by working collaboratively with the District's Office of Specialized Student Services and Placement. The reductions were mainly the result of using the process of reviewing the student's pickup location and identifying the closest school(s) with the child's program before the placement is made. For fiscal year 2015-2016, the District Transportation Service Providers (TSP) continued to find ways to increase its commitment to bus safety, resulting in a continuous reduction in the number of incidents on buses and accidents involving school buses resulting in a reduction in insurance cost for the TSPs and a reduction in the number of student suspensions. Also, the District Transportation Service Providers have made environmental improvements by implementing a plan of transforming its fleet from diesel to propane fuel.

Capital Improvement Program

Capital improvements within the District are financed primarily through voter-approved bond programs. During the fiscal year ended 2016, the District managed capital improvements under two voter-approved program activities during the fiscal year - one approved by the voters in 1994 and the other in 2009. Below are descriptions of each program's history:

1994 Bond Program

In 1994, Detroit voters approved \$1.5 billion in bonds to begin the improvement of facilities throughout the District. During the first six years of the Capital Improvement Program (CIP), progress was slow. In 2000, under the leadership of a Chief Executive Officer, a revamped Capital Improvement Program began implementation of the CIP aggressively. As of June 30, 2016, over 99 percent of the 1994 bond authorization had been expended on capital improvements. Activity during fiscal year 2016 consisted of Charles R. Drew Transition Center site enhancements, closeout of projects, some smaller scale mechanical upgrades, security enhancements, signage enhancements, and development of a revised Master Facilities Plan.

The following is a recap of the activities for each bond series as of June 30, 2016:

Series	Net proceeds premiums and interest earned through June 30, 2016	Number of projects underway or completed	Expenses and encumbrances through June 30, 2016	Net available to fund projects as of June 30, 2016
I	\$ 104,010,868	150	\$ 104,010,868	\$ -
II	227,473,447	300	227,473,447	-
III	465,749,022	156	465,749,022	-
IV	392,473,015	50	392,473,015	-
V	417,582,514	196	417,487,208	95,307
	<u>\$ 1,607,288,866</u>	<u>852</u>	<u>\$ 1,607,193,560</u>	<u>\$ 95,307</u>

The CIP is divided into to eight major components:

- New construction
- Remodeling
- Special education
- Technology initiatives
- Improvements to existing schools
- Athletic field improvement
- Health initiatives
- Support services

The value of work performed during fiscal year 2016 was \$1,148,528.

Proposal S - 2009 School Construction and Modernization Program

On November 3, 2009, Detroit voters approved Proposal S, authorizing the District to issue \$500.54 million in bonds for school construction and renovation projects. Proposal S projects included the construction of three new high schools and four new PK-8 schools and the renovation of 11 other schools. In addition, Proposal S funding was to be used to construct a replacement command center for the District's Office of Public Safety, implement security and information technology improvements at multiple sites, and demolish and decommission closed schools.

Pursuant to the authorization, the District has issued bonds totaling \$500.54 million in the following series:

Name/Type of Bond	Amount Issued	Final Maturity	Interest Rate
Series 2009A QSCB	\$ 90,000,000	May 1, 2025	3.19%
Series 2009B BAB	200,000,000	May 1, 2039	4.59% -7.47%
Series 2010A QSCB	160,910,000	May 1, 2029	6.65%
Series 2010B BAB	49,630,000	May 1, 2040	6.68%

Note: QSCB - *Qualified School Construction Bonds*, BAB - *Qualified School Construction Bond*

In January 2010, the District hired Walbridge Joint Venture for DPS, LLC as program manager to oversee the effective development and implementation of the Proposal S School Building Capital Improvement Program (CIP). An aggressive implementation schedule was established by the District in order to comply with federal requirements that funds were capitalized on projects within thirty-six (36) months of the issuance of bonds. As of the close of fiscal year 2010, one new high school, two pre-kindergarten through 8th (PK-8) grade schools, and a number of school modernization projects were completed. As of the close of fiscal year 2012, the remaining major and modernization projects including (2) two new high schools, (2) two new PK-8 schools, (4) four major high schools renovations, additional school modernization projects, and the implementation of district-wide security/information technology projects were completed. All projects have obtained final certificate of occupancy and achieved final close-out. The District has complied with capitalizing the entire funds for the QSCB funds and BAB funds within the requirements.

As of June 30, 2016, the following amounts have been expended on Proposal S projects:

Expenditures	2009A Build and Site Bonds	2009B Build and Site Bonds	2010A Build and Site Bonds	2010B Build and Site Bonds
Bond Issuance				
Cost	\$ 1,187,840	\$ 2,088,013	\$ 1,571,215	\$ 555,216
Capital Outlay	89,159,930	198,182,780	159,807,073	49,945,350
Total	\$ 90,347,770	\$ 200,270,793	\$ 161,378,288	\$ 50,500,566

Accomplishments and Acknowledgements

Accomplishments

The Association of School Business Officials International (ASBO) has awarded the Certificate of Excellence in Financial Reporting, and the Government Finance Officers Association of the United States and Canada (GFOA) has awarded a Certificate of Achievement for Excellence in Financial Reporting to the Detroit Public Schools for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2015. This was the eleventh year the District has received both prestigious awards. In order to be awarded the Certificates of Excellence and Achievement, the District published an easily readable and efficiently organized CAFR. The report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is only valid for a period of one year. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to both GFOA and ASBO to determine its eligibility for another certificate.

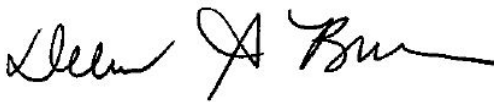
Acknowledgments

The preparation of this report was accomplished through the commitment, dedication, and tireless effort of the entire Division of Finance. We would also like to extend our thanks to other District and non-district personnel who assisted in the preparation of this report.

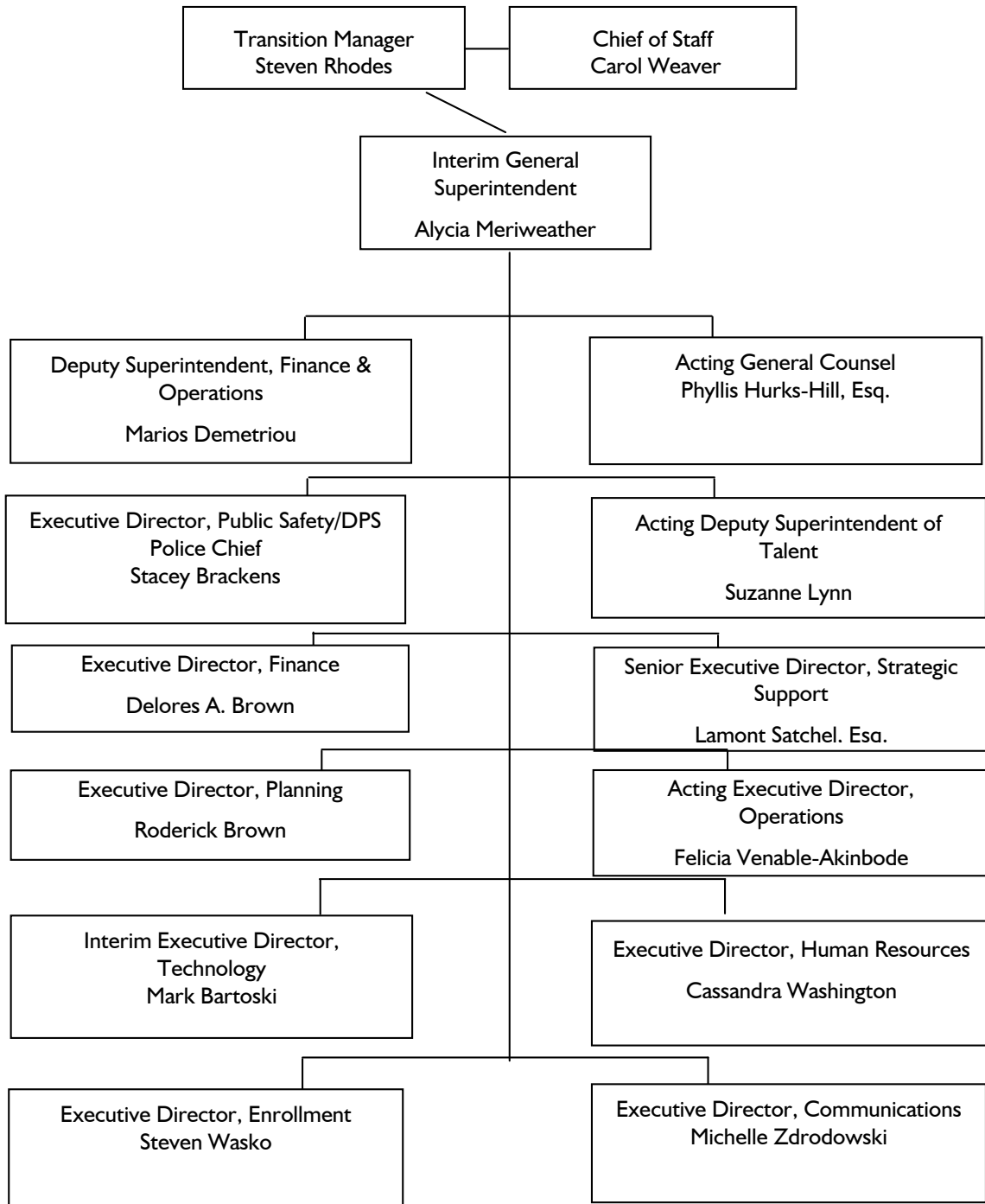
Respectfully submitted,



Marios Demetriou
Deputy Superintendent of Finance and Operations



Delores Brown
Executive Director of Finance



Detroit Public Schools

List of Appointed Officials June 30, 2016

Board of Education

President (District 5)	Herman Davis
Vice President	Ida Short
At Large Member	LaMar Lemmons
At Large Member	Patrica Johnson-Singleton
At Large Member	Reverend D. Murray
District 1	Tawanna Simpson
District 2	Elena M. Herrada
District 3	Annie Carter
District 4	Judy Summers
District 6	Wanda Redmond
District 7	Juvette Hawkins-Williams

Cabinet

Interim General Superintendent	Alycia Meriweather
Chief of Staff	Carol Weaver
Deputy Superintendent, Finance & Operations	Marios Demetriou
Executive Director, Public Safety/DPS Police Chief	Stacy Brackens
Executive Director, Finance	Delores A. Brown
Executive Director, Planning	Roderick Brown
Acting General Counsel	Phyllis Hurks-Hill, Esq.
Acting Deputy Superintendent of Talent	Suzanne Lynn
Senior Executive Director, Strategic Support	Lamont Satchel, Esq.
Acting Executive Director, Operations	Felicia Venable-Akinbode
Executive Director, Human Resources	Cassandra Washington
Executive Director, Enrollment	Steve Wasko
Executive Director, Communications	Michelle Zdrodowki



**ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**

**The Certificate of Excellence in Financial Reporting Award
is presented to**

Detroit Public Schools

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2015.**

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards.



Brenda Burkett

Brenda R. Burkett, CPA, CSBA, SFO
President

John D. Musso

John D. Musso, CAE, RSBA
Executive Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Detroit Public Schools
Michigan**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO

Independent Auditor's Report

To the Transition Manager
Detroit Public Schools

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Detroit Public Schools as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Detroit Public Schools' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 Detroit Public Schools as of June 30, 2016 and the respective changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

To the Transition Manager
Detroit Public Schools

Emphasis of Matter

As discussed in Note I to the basic financial statements, the fund balance of the General Fund and the Bond Redemption fund as of July 1, 2015 have been restated to correct certain misstatements. Our opinion is not modified with respect to this matter.

The accompanying financial statements have been prepared assuming that Detroit Public Schools will continue as a going concern. As discussed in Note 13 to the basic financial statements, Detroit Public Schools has maintained an accumulated fund deficit in the General Fund for several years and continues operating under a state-supervised deficit elimination plan. In order for Detroit Public Schools to continue as a going concern, the Michigan Legislature approved bills and the governor signed them to restructure Detroit Public Schools and provide additional funding. The new bills, now known as Public Acts 192-197, which took effect July 1, 2016, split the District into two entities. Detroit Public Schools will continue to exist for the purpose of collecting millages and other taxes in order to pay off existing debt. The new entity created by these Public Acts is referred to as the Detroit Public Schools Community District. The Detroit Public Schools Community District will oversee the daily operations of the schools and student education. The Public Acts also provided funding for the operations of the Detroit Public Schools Community District, and provided an emergency loan for Detroit Public Schools. The financial statements referred to above do not reflect any activity of Detroit Public Schools Community District, nor does it incorporate the funding package for Detroit Public Schools, as these dollars were provided subsequent to June 30, 2016. Our opinion is not modified with respect to this matter.

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the major fund budgetary comparison schedule, the schedule of Detroit Public Schools' proportionate share of the net pension liability, and the schedule of Detroit Public Schools' pension contributions, as identified in the table of contents, supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Detroit Public Schools' basic financial statements. The other supplemental information, as identified in the table of contents, and introductory section and statistical section schedules are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

To the Transition Manager
Detroit Public Schools

The other supplemental information, as identified in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information, as identified in the table of contents, is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section and statistical section schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2016 on our consideration of Detroit Public Schools' 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 an opinion 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* in considering Detroit Public Schools' internal control over financial reporting and compliance.

Plante & Moran, PLLC

December 15, 2016

Detroit Public Schools

Management's Discussion and Analysis

This section of Detroit Public Schools' (the "School District") annual financial report presents our discussion and analysis of the School District's financial performance during the year ended June 30, 2016. 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 Detroit Public Schools financially as a whole. The government-wide 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 longer-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 government-wide financial statements by providing information about the School District's most significant funds - the General Fund and the Bond Redemption Fund, with all other funds presented in one column as nonmajor funds. The remaining statements, the statement of fiduciary net position and the statement of changes in fiduciary net position, present 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

Government-wide Financial Statements *Fund Financial Statements*

Notes to the Basic Financial Statements

(Required Supplemental Information)
Budgetary Information for Major Funds

Other Supplemental Information

Detroit Public Schools

Management's Discussion and Analysis (Continued)

Reporting the School District as a Whole - Government-wide Financial Statements

One of the most important questions asked about the School District is, "As a whole, what is the School District's financial condition as a result of the year's activities?" The statement of net position 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 you answer this question. We prepare these statements to 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 revenue and expenses are taken into account regardless of when cash is received or paid. These two statements report the School District's net position - the difference between assets and liabilities, as reported in the statement of net position - 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 position - as reported in the statement of activities - are indicators of whether its financial health is improving or deteriorating. The relationship between revenue 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. One must consider many other nonfinancial factors, such as the quality of the education provided and the safety of the schools, to assess the overall health of the School District. The statement of net position 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 (the Food Service Fund for example) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (such as bond-funded construction funds used for voter-approved capital projects). The governmental funds of the School District use the following accounting approach:

Governmental funds - All of the School District's services are reported in governmental 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 an accounting method called modified accrual 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 you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School District's programs. We describe the relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds in a reconciliation.

Detroit Public Schools

Management's Discussion and Analysis (Continued)

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

The School District is the trustee, or fiduciary, for its student activity funds. All of the School District's fiduciary activities are reported in a separate statement of fiduciary net position. We exclude these activities 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

Recall that the statement of net position provides the perspective of the School District as a whole. Table I provides a summary of the School District's net position as of June 30, 2016:

TABLE I	Governmental Activities	
	June 30	
	2016	2015
	(in millions)	
Assets		
Current and other assets	\$ 194.5	\$ 177.6
Capital assets	<u>1,326.0</u>	<u>1,379.5</u>
Total assets	1,520.5	1,557.1
Deferred Outflows of Resources	<u>105.9</u>	<u>140.0</u>
Total assets and deferred outflows of resources	1,626.4	1,697.1
Liabilities		
Current liabilities	525.0	487.9
Long-term liabilities	<u>2,703.9</u>	<u>2,787.6</u>
Total liabilities	3,228.9	3,275.5
Deferred Inflows of Resources	<u>125.3</u>	<u>96.5</u>
Total liabilities and deferred inflows of resources	<u>3,354.2</u>	<u>3,372.0</u>
Net Position		
Net investment in capital assets	(344.1)	(126.7)
Restricted	4.9	23.6
Unrestricted (deficit)	<u>(1,388.6)</u>	<u>(1,571.8)</u>
Total net position	<u>\$ (1,727.8)</u>	<u>\$ (1,674.9)</u>

Detroit Public Schools

Management's Discussion and Analysis (Continued)

The above analysis focuses on the net position (see Table 1). The change in net position (see Table 2) of the School District's governmental activities is discussed below. The School District's net position was a deficit of \$1,727.8 million at June 30, 2016 and a deficit of \$1,674.9 million at June 30, 2015. Capital assets, net of related debt totaling negative \$344.1 million, 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. The majority of the debt will be repaid from voter-approved property taxes collected as the debt service comes due. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the School District's ability to use that net position for day-to-day operations. The remaining amount of net deficit of \$1,388.6 million was unrestricted.

As discussed in Note 1 to the basic financial statements, the fund balance of the General Fund and Bond Redemption Fund as of July 1, 2015 have been restated to correct certain misstatements. As a result of these restatements, the June 30, 2015 net position has been restated to increase the total net deficit by \$10.2 million to \$1,674.9 million.

The \$1,388.6 million in unrestricted deficit net position of governmental activities represents the accumulated results of all past years' operations. This accumulated deficit represents that the School District's obligations are greater than its assets available to pay them with available resources. The operating results of the General Fund will have a significant impact on the change in unrestricted net position from year to year.

Detroit Public Schools

Management's Discussion and Analysis (Continued)

The results of this year's operations for the School District as a whole are reported in the statement of activities (Table 2), which shows a decrease in net position of \$52.9 million for the year ended June 30, 2016.

TABLE 2

	Governmental Activities	
	Year Ended June 30	
	2016	2015
	(in millions)	
Revenue		
Program revenue:		
Charges for services	\$ 3.4	\$ 2.9
Operating grants and contributions	375.3	384.6
General revenue:		
Property taxes	150.2	156.5
State foundation allowance	298.9	265.1
Other	<u>10.3</u>	<u>11.2</u>
Total revenue	838.1	820.3
Functions/Program Expenses		
Instruction	343.4	374.9
Support services	374.0	313.5
Athletics	3.0	3.3
Food services	44.5	42.5
Community services	5.2	3.3
Interest on long-term debt	101.5	106.8
Depreciation (unallocated)	<u>19.4</u>	<u>18.7</u>
Total functions/program expenses	891.0	863.0
Change in Net Position	(52.9)	(42.7)
Net Position - Beginning of year	(1,674.9)	(1,622.0)
Impact of Prior Period Restatement	<u>-</u>	<u>(10.2)</u>
Net Position - End of year	<u><u>\$ (1,727.8)</u></u>	<u><u>\$ (1,674.9)</u></u>

As reported in the statement of activities, the cost of all of our governmental activities this year was \$891.0 million. Certain activities were partially funded from those who benefited from the programs (\$3.4 million) or by other governments and organizations that subsidized certain programs with grants and contributions (\$375.3 million). We paid for the remaining "public benefit" portion of our governmental activities with \$150.2 million in taxes, \$298.9 million in State foundation allowance, and with our other revenue, i.e., interest and general entitlements.

Detroit Public Schools

Management's Discussion and Analysis (Continued)

The School District experienced a decrease in net position of \$52.9 million. Key reasons for the change in net position were due to interest and penalties related to the delinquent retirement contributions, as well as a judgment against the School District relating to one vendor.

As discussed above, the net cost shows the financial burden that was placed on the State and the 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 resources.

The School District's Funds

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

As the School District completed this year, the governmental funds reported a combined fund balance deficit of \$222.2 million, which is a decrease of \$36.1 million from last year. The primary reasons for the (increase) decrease are as follows:

In the General Fund, our principal operating fund, the fund balance decreased (deficit grew by) \$44.0 million to an accumulated deficit of \$251.6 million. The change is mainly due to:

- A judgment against the School District relating to one vendor
- Interest and penalty assessments related to the delinquent payment of employer required retirement contributions
- Timing of receipt of federal grants not collected within 60 days of year end, which caused revenue in the amount of \$35 million to be deferred

The School District has filed a deficit elimination plan (DEP) with the State of Michigan to eliminate the General Fund deficit. Due to continued challenges, the School District was unable to eliminate this deficit over the past several years and the deficit has continued to grow. In an effort to help the School District improve its financial viability, the Michigan Legislature approved a set of bills to allow the School District to restructure by creating a new entity called Detroit Public Schools Community District (DPSCD), and also by providing the School District with an additional funding package to fund existing operations and help transition the School District over to DPSCD. These bills took effect on July 1, 2016. See the subsequent event footnote in the basic financial statements for more information.

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 revenue 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 actually adopted just before year end. 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 of these financial statements.

Detroit Public Schools

Management's Discussion and Analysis (Continued)

There were significant revisions made to the 2015-2016 General Fund original budget. Budgeted revenue was increased by \$38.0 million primarily due to the additional funding provided by the State of Michigan in connection with the emergency loan and new legislation.

Budgeted expenditures were decreased \$53.6 million to account for the decrease in headcount as a result of vacant positions not being filled during the fiscal year.

There were significant variances between the final budget and actual amounts for the year ended June 30, 2016. The most significant variance relates to the business office function expense variance of \$18.2 million, which primarily relates to the additional interest and penalty recorded due to the delinquent payments on employer required retirement contributions.

Capital Assets and Debt Administration

Capital Assets

As of June 30, 2016, the School District had \$1.3 billion invested in a broad range of capital assets, including land, buildings, vehicles, furniture, and equipment. This amount represents a net decrease (including additions, disposals, and depreciation) of approximately \$76.5 million or 5.5 percent, from last year. A loss on disposal of capital assets of \$24.3 million has been reported in the Statement of Activities for the year ended June 30, 2016.

	<u>2016</u>	<u>2015</u>
Land	\$ 55,649,591	\$ 55,678,168
Construction in progress	-	3,169,727
Buildings and building improvements	1,804,032,534	1,804,653,250
Land improvements	101,139,554	102,443,164
Buses and other vehicles	2,542,371	2,509,961
Furniture and equipment	<u>209,148,290</u>	<u>207,722,273</u>
Total capital assets	2,172,512,340	2,176,176,543
Less accumulated depreciation	<u>(846,516,322)</u>	<u>(796,723,170)</u>
Net capital assets	<u>\$ 1,325,996,018</u>	<u>\$ 1,379,453,373</u>

Debt

At the end of this year, the School District had \$1.40 billion in bonds outstanding versus \$1.45 billion in the previous year. The School District's long-term debt, including bonds, consisted of the following:

	<u>2016</u>	<u>2015</u>
General obligation bonds	\$ 1,398,580,000	\$ 1,452,075,000
Unamortized bond premium	64,869,351	74,129,609
Long-term notes payable	217,736,135	259,257,063
Other long-term liabilities	<u>279,919,162</u>	<u>235,494,246</u>
Total long-term debt	<u>\$ 1,961,104,648</u>	<u>\$ 2,020,955,918</u>

Detroit Public Schools

Management's Discussion and Analysis (Continued)

Other long-term liabilities include compensated absences, employee severance plan, workers' compensation and health insurance claims, legal claims, and the School Loan Revolving Fund balance. 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

This year was a transitional year which occurred under the leadership of Judge Steven Rhodes, the Transition Manager. The transition is from having an Emergency Manger under state control to local control with a school board. The goal in fiscal year 2017 is to transition Detroit Public Schools to a new school district (Detroit Public Schools Community District) that can operate relatively debt-free. In order to make this a reality, the School District required assistance from the governor and the state legislature to correct the financial condition and to maintain sustainability. The State assisted the School District by allocating \$48.7 million in funding to address the shortfall in fiscal year 2016 and the state legislature created a new School District for fiscal year 2017 with no debt service coming from the General Fund and will be under local control starting January 2017. A new School Board was elected in November 2016 and will be sworn in during January 2017.

Detroit Public Schools Community District (DPSCD) will be responsible for educating over 45,000 students in fiscal year 2017. With the support from the State's investment in the School District and right-sizing the central office staff, DPSCD adopted a balanced budget for the General Fund without any debt issues. The budget reflects investments in academic innovation, student safety, and improved facilities.

New academic programs offered:

- First public Montessori/Open School Program in Detroit
- Enhanced blended learning at A.L. Holmes Elementary-Middle School
- Over-Aged English Language Learner classroom at Priest Elementary-Middle School
- Cooke S.T.E.M. Academy in North Rosedale Park

The School District made a significant investment in improving its financial accountability and transparency in the reinstatement of the Office of Inspector General to ensure that fraudulent actions and internal control matters are addressed.

The fiscal year 2017 budget was based on five key priorities:

- Meet financial obligations by making payments to employees, vendors, and others timely without borrowing. This will regain trust in the School District and help to attract and retain the best employees.
- Realistically balance the budget by ensuring that revenue and expenditures are based on reasonable assumptions.
- Support academic innovation which will potentially promote student achievement. A portion of the funds provided from the state transition was dedicated to this endeavor.

Detroit Public Schools

Management's Discussion and Analysis (Continued)

- Improve student safety which will contribute to a student's ability to learn. State transition funds will be invested in additional security personnel, technology, and capital needs.
- Improve facilities to repair urgent building maintenance needs which were also funded by a portion of the state transition funds.

After the transition to the local board, school closures should be addressed. However, the budget adopted currently does not include any school closures in fiscal year 2017.

In recent years, the School District has devoted significant time and energy toward student recruitment and retention, and the School District's enrollment decline has begun to stabilize in fiscal year 2017. The budget assumes a 1.8 percent decline in enrollment from fiscal year 2016. This decline is in line with recent years and would lead to a District membership (for state funding purposes) of 41,626 for the General Fund and 3,885 for special education students for a total of 45,511 students for fiscal year 2017.

The fiscal year 2017 General Fund budget reflects total budgeted revenue of \$638.4 million:

- \$445.8 million from the State of Michigan
- \$141.8 million in federal funds
- \$50.8 million in local funds (assumes no property taxes are levied)

Other sources of income are \$6 million from the sale of capital assets and a transfer of Food Service Funds of \$2.3 million for allowable indirect costs.

The School District will receive a transfer of \$150 million in transition funds from the State. A total of \$125 million will remain with Detroit Public Schools to pay legacy obligations such as 26-pay teachers, June 2016 payroll, and vendor liabilities. The remaining \$25 million will be transferred to Detroit Public Schools Community District for investment in academic programs, safety enhancements, and facilities maintenance as mentioned above. A total of \$7.7 million will be expended in fiscal year 2017 and the balance of \$17.3 million will be used in subsequent years.

The fiscal year 2017 expenditures reflect a 12 percent decline in total expenditures from the fiscal year 2016 budget with most of the decline due to the legislation separating the debt from DPSCD. Excluding the impact of removing debt service, the total operating expenditures are reduced by 2 percent from fiscal year 2016.

Contacting the School District's Management

This financial report is intended to provide our taxpayers, parents, and investors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional information, we welcome you to contact the Business Office.

Detroit Public Schools

Statement of Net Position June 30, 2016

	Governmental Activities
Assets	
Cash and investments (Note 3)	\$ 15,696,275
Receivables:	
Taxes receivable	814,341
Land contract and other receivables	3,291,153
Due from other governmental units	145,225,196
Prepaid costs and other assets	1,500
Restricted assets - Cash and investments	29,487,903
Nondepreciable capital assets (Note 5)	55,649,591
Depreciable capital assets - Net (Note 5)	1,270,346,427
Total assets	<u>1,520,512,386</u>
Deferred Outflows of Resources	
Deferred charges on bond refunding	15,704,543
Deferred outflows related to pensions (Note 10)	90,230,725
Total deferred outflows of resources	<u>105,935,268</u>
Total assets and deferred outflows of resources	<u>1,626,447,654</u>
Liabilities	
Accounts payable	73,586,887
Accrued payroll-related liabilities	210,713,314
State aid anticipation note (Note 8)	51,257,769
Interest payable	13,632,908
Due to other governmental units	29,419,828
Other accrued liabilities	6,056,048
Net other postemployment benefit obligation (Note 11)	12,109,449
Unearned revenue (Note 4)	7,991,345
Noncurrent liabilities:	
Due within one year (Note 7)	120,222,557
Due in more than one year (Note 7)	1,840,882,091
Net pension liability (Note 10)	863,027,538
Total liabilities	<u>3,228,899,734</u>
Deferred Inflows of Resources -	
Deferred inflows related to pensions (Note 10)	125,346,270
Total liabilities and deferred inflow of resources	<u>3,354,246,004</u>
Net Position	
Net investment in capital assets	(344,090,444)
Restricted - Debt service	4,931,706
Unrestricted	(1,388,639,612)
Total net position	<u>\$ (1,727,798,350)</u>

Detroit Public Schools

Statement of Activities Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenue		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
				Governmental Activities
Primary government - Governmental activities:				
Instruction	\$ 343,401,546	\$ 140,220	\$ 150,919,189	\$ (192,342,137)
Support services	374,011,546	-	164,619,457	(209,392,089)
Athletics	2,972,154	-	-	(2,972,154)
Food services	44,457,080	593,796	46,377,989	2,514,705
Community services	5,190,890	2,692,345	-	(2,498,545)
Interest	101,573,985	-	13,396,896	(88,177,089)
Depreciation expense (unallocated)	19,415,096	-	-	(19,415,096)
Total primary government	\$ 891,022,297	\$ 3,426,361	\$375,313,531	(512,282,405)
General revenue:				
Taxes:				
				63,077,446
				87,088,926
				298,910,588
				110,330
				(764,682)
				10,957,195
				459,379,803
				Change in Net Position (52,902,602)
				Net Position - Beginning of year - As restated (Note 1) (1,674,895,748)
				Net Position - End of year \$ (1,727,798,350)

Detroit Public Schools

Governmental Funds Balance Sheet June 30, 2016

	General Fund	Bond Redemption	Nonmajor Funds	Total Governmental Funds
Assets				
Cash and investments (Note 3)	\$ 15,696,275	\$ -	\$ -	\$ 15,696,275
Receivables:				
Taxes receivable	-	814,341	-	814,341
Land contract and other receivables	2,320,655	-	970,498	3,291,153
Due from other governmental units	141,572,931	-	3,652,265	145,225,196
Due from other funds (Note 6)	57,489	20,262,551	4,458,222	24,778,262
Prepaid costs and other assets	-	1,500	-	1,500
Restricted assets - Cash and investments	24,757,375	687,191	4,043,337	29,487,903
Total assets	\$ 184,404,725	\$ 21,765,583	\$ 13,124,322	\$ 219,294,630
Liabilities, Deferred Inflow of Resources, and Fund Balances				
Liabilities				
Accounts payable	\$ 71,834,766	\$ 2,325	\$ 1,713,194	\$ 73,550,285
Accrued payroll-related liabilities	210,713,314	-	-	210,713,314
State aid anticipation note (Note 8)	51,257,769	-	-	51,257,769
Due to other governmental units	26,134,202	3,198,644	86,982	29,419,828
Other accrued liabilities	5,631,102	-	424,946	6,056,048
Due to other funds (Note 6)	24,757,375	-	57,489	24,814,864
Unearned revenue (Note 4)	7,991,345	-	-	7,991,345
Total liabilities	398,319,873	3,200,969	2,282,611	403,803,453
Deferred Inflows of Resources -				
Unavailable revenue (Note 4)	37,672,106	-	-	37,672,106
Total liabilities and deferred inflows of resources	435,991,979	3,200,969	2,282,611	441,475,559
Fund Balances				
Restricted:				
Capital projects	-	-	2,150,288	2,150,288
Debt service	-	18,564,614	-	18,564,614
Food service	-	-	8,691,423	8,691,423
Unassigned	(251,587,254)	-	-	(251,587,254)
Total fund balances (as restated)	(251,587,254)	18,564,614	10,841,711	(222,180,929)
Total liabilities, deferred inflows of resources, and fund balances	\$ 184,404,725	\$ 21,765,583	\$ 13,124,322	\$ 219,294,630

Detroit Public Schools

Governmental Funds Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position June 30, 2016

Fund Deficit Reported in Governmental Funds	\$	(222,180,929)
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and are not reported in the funds:		
Cost of capital assets	\$ 2,172,512,340	
Accumulated depreciation	<u>(846,516,322)</u>	1,325,996,018
Grants and other receivables that are collected after year end, such that they are not available to pay bills outstanding as of year end, are not recognized in the funds		37,672,106
Deferred outflows related to pensions		90,230,725
Long-term liabilities are not due and payable in the current period and are not reported in the governmental funds:		
Bonds payable including premium, notes payable and School Bond Loan Revolving Fund payable	(1,927,203,090)	
Compensated absences and employee severance plan	(11,089,264)	
Workers' compensation and health insurance	(18,776,930)	
Legal and other	(4,035,364)	
Deferred charges on bond refunding	<u>15,704,543</u>	(1,945,400,105)
Accrued interest payable is not included as a liability in governmental funds		(13,632,908)
Differences between actuarially determined net other postemployment benefit (OPEB) costs and actual contributions reported in governmental funds are accumulated and reported as net OPEB		(12,109,449)
Net pension obligations do not present a claim on current financial resources and are not reported as fund liabilities		(863,027,538)
Deferred inflows related to pensions		<u>(125,346,270)</u>
Net Position of Governmental Activities	\$	<u>(1,727,798,350)</u>

Detroit Public Schools

Governmental Funds Statement of Revenue, Expenditures, and Changes in Fund Balances Year Ended June 30, 2016

	General Fund	Bond Redemption	Nonmajor Funds	Total Governmental Funds
Revenue				
Local sources	\$ 74,489,836	\$ 86,999,875	\$ 826,556	\$ 162,316,267
State sources	432,186,034	-	1,640,685	433,826,719
Federal sources	137,795,737	13,396,896	46,377,989	197,570,622
Intergovernmental sources	31,090,370	-	-	31,090,370
Total revenue	<u>675,561,977</u>	<u>100,396,771</u>	<u>48,845,230</u>	<u>824,803,978</u>
Expenditures				
Current:				
Instruction	318,255,222	-	-	318,255,222
Support services	343,532,597	6,448	296,460	343,835,505
Athletics	1,423,839	-	-	1,423,839
Food services	7,423	-	42,387,453	42,394,876
Community services	5,123,901	-	-	5,123,901
Debt service:				
Principal	41,520,928	53,495,000	-	95,015,928
Interest	11,481,166	84,801,816	-	96,282,982
Capital outlay	1,282,513	-	2,451,376	3,733,889
Total expenditures	<u>722,627,589</u>	<u>138,303,264</u>	<u>45,135,289</u>	<u>906,066,142</u>
Excess of Revenue (Under) Over Expenditures	(47,065,612)	(37,906,493)	3,709,941	(81,262,164)
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	1,980,874	-	-	1,980,874
Transfers in (Note 6)	2,370,967	-	1,295,580	3,666,547
Transfers out (Note 6)	(1,295,580)	-	(2,370,967)	(3,666,547)
School Bond Loan Revolving Fund proceeds (Note 7)	-	43,190,775	-	43,190,775
Total other financing sources (uses)	<u>3,056,261</u>	<u>43,190,775</u>	<u>(1,075,387)</u>	<u>45,171,649</u>
Net Change in Fund Balances	(44,009,351)	5,284,282	2,634,554	(36,090,515)
Fund Balances (As Restated) - Beginning of year (Note 1)	<u>(207,577,903)</u>	<u>13,280,332</u>	<u>8,207,157</u>	<u>(186,090,414)</u>
Fund Balances - End of year	<u>\$ (251,587,254)</u>	<u>\$ 18,564,614</u>	<u>\$ 10,841,711</u>	<u>\$ (222,180,929)</u>

Detroit Public Schools

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, 2016

Net Change in Fund Balances - Total Governmental Funds		\$ (36,090,515)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:		
Depreciation expense	\$ (53,559,987)	
Capitalized capital outlay	<u>2,848,188</u>	(50,711,799)
Governmental funds report proceeds from sale of assets as revenue; in the statement of activities, these are recorded net of carrying value of the disposed assets		(2,745,556)
Revenue is reported in the statement of activities when earned; they are not reported in the funds until collected or collectible within 60 days of year end		29,298,273
School bond loan proceeds provide financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of activities		(43,190,775)
Underwriter's premium/deferred charges on bond refundings reported as revenue/expenditures in the funds and amortized in the statement of activities		8,206,196
Repayment of bond principal is an expenditure in the governmental funds, but not in the statement of activities (where it reduces long-term debt)		95,015,928
Interest expense is recorded in the statement of activities when incurred; it is not reported in governmental funds until paid		(5,291,003)
Revenue in support of pension contributions made subsequent to the measurement date		(23,424,070)
Change in pension expense related to deferred items		(28,727,200)
Compensated absences, as well as self-insured liability claims, are recorded when earned in the statement of activities. In the current year, more was paid out than was earned		<u>4,757,919</u>
Change in Net Position of Governmental Activities		<u>\$ (52,902,602)</u>

Detroit Public Schools

Fiduciary Funds Statement of Fiduciary Net Position June 30, 2016

	<u>Agency Funds</u>	<u>Private Purpose Trusts</u>
Assets		
Cash and investments (Note 3)	\$ 1,432,974	\$ 498,816
Due from other funds (Note 6)	-	43,589
Receivables	40	-
Total assets	<u>\$ 1,433,014</u>	542,405
Liabilities		
Accounts payable	\$ -	42,055
Due to other funds (Note 6)	6,987	-
Due to student groups	1,426,027	-
Total liabilities	<u>\$ 1,433,014</u>	42,055
Net Position		<u>\$ 500,350</u>

Detroit Public Schools

Fiduciary Funds Statement of Changes in Fiduciary Net Position Year Ended June 30, 2016

	Private Purpose Trusts
Additions	
Private donations	\$ 200
Interest	593
Total additions	793
Deductions	
Scholarships awarded	5,500
Professional development and other purchased services	98,524
Total deductions	104,024
Change in Net Position	(103,231)
Net Position - Beginning of year	603,581
Net Position - End of year	<u><u>\$ 500,350</u></u>

Note I - Nature of Business and Significant Accounting Policies

The accounting policies of Detroit Public Schools (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

Detroit Public Schools was a first class school district governed by an 11-member board. Upon formation of the new Detroit Public Schools Community District, a seven-member board was elected and will be installed in January 2017.

On May 16, 2011, Governor Rick Snyder appointed Roy S. Roberts to serve as EM for the School District, pursuant to Act 4 for an initial term to expire on May 16, 2012. On March 7, 2012, Mr. Roberts was reappointment by Governor Snyder for an additional one-year term. Subsequently, the validity of Act 4 was challenged in a public referendum process that resulted in suspending Act 4 and reinstating Act 72 in early August 2012, pending the outcome of the referendum election in November 2012. At the start of the suspension period, the governor appointed Mr. Roberts as Emergency Financial Manager for the School District pursuant to the reinstated Act 72. The statewide election on November 6, 2012 invalidated Act 4, with Act 72 continuing in effect until March 28, 2013. On that date, the new Act 436 became effective and Mr. Roberts was appointed Emergency Manager for the School District under Act 436. He served as such until July 15, 2013. On July 15, 2013, the governor appointed Jack Martin to serve as the School District's Emergency Manager.

Effective January 13, 2015, the governor appointed Darnell Earley to serve as the School District's new Emergency Manager. Mr. Earley serves at the pleasure of the governor and the governor has the authority to remove the EM with or without cause at any time. The EM may also be removed by a 2/3 vote of the local governmental unit's governing body if the emergency manager has served at least 18 months after appointment by the governor or by impeachment and conviction by the state legislature.

Act 436 grants an emergency manager powers and authority similar to those previously granted to an emergency financial manager under Act 72, while providing additional powers to an EM to operate all aspects of the school district or other local governmental unit for which he or she has been appointed. Under Act 436, a school district emergency manager does not have the unilateral power to initiate a Chapter 9 bankruptcy filing on behalf of the school district, and needs the governor's written approval for such filing.

Note I - Nature of Business and Significant Accounting Policies (Continued)

In addition, the EM powers include, but are not limited to, the authority to amend, revise, approve, or disapprove the budget of the local government, and limit the total amount appropriated or expended; receive and disburse on behalf of the local government all federal, state, and local funds earmarked for the local government. These funds may include, but are not limited to, funds for specific programs and the retirement of debt; require and approve or disapprove, or amend or revise a plan for paying all outstanding obligations of the local government; make, approve, or disapprove any appropriation, contract, expenditure, or loan; the creation of any new position, or the filling or any vacancy in a position by any appointing authority; act as sole agent of the local government in collective bargaining with employees or representatives and approve any contract or agreement; employ or contract for, at the expense of the local government and with the approval of the state financial authority, auditors and other technical personnel considered necessary to implement this act; remove, replace, appoint, or confirm the appointments to any office, board, commission, authority, or other entity which is within or is a component unit of the local government.

Effective February 29, 2016, Governor Snyder appointed Judge Steven Rhodes to serve as the School District's Transition Manager. Judge Rhodes is responsible for overseeing the School District and has the same powers as the previous EM. In June 2016, the Michigan Legislature approved a set of bills to restructure the School District and provide additional funding. These bills took effect on July 1, 2016 and the funding was received subsequent to year end. See the Subsequent Event note for more information.

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 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 the application of the criteria, the School District does not contain any component units.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of 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 of the School District's government-wide activities are considered governmental activities.

Note I - Nature of Business and Significant Accounting Policies (Continued)

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 and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

When an expense is incurred for purposes for which both restricted and unrestricted net position or fund balance are available, the School District's policy is to first apply restricted resources. When an expense is incurred for purposes which amounts in any of the unrestricted fund balance classifications could be used, it is the School District's policy to spend funds in this order: committed, assigned, and unassigned.

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.

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

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. Revenue not meeting this definition is classified as a deferred inflow of resources. 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 (such as self-insurance and contingencies), 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 School District.

The School District receives revenue from the Wayne County Regional Education Services Agency (Wayne RESA), which is used to partially fund its center-based special education program. The School District records recipient revenue from such nonexchange transactions when all eligibility requirements have been met and in the same period the provider expenditures are recorded by Wayne RESA. Amounts initially received by the School District are subject to adjustment in future periods, and may decrease. Management does not believe that the amount of future adjustments is reasonably estimable.

Fiduciary fund statements are also reported using the accrual basis of accounting. The School District maintains a Student Activities Fund to record funds received and expended for student activities. It also maintains a private purpose trust fund, the Scholarship Fund, to record private donations and scholarships awarded from these donations. The private purpose trust fund uses the economic resources measurement focus.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, and then unrestricted resources as they are needed.

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. The School District maintains separate subfunds within the General Fund for federal activities, adult education, and special education.

Note I - Nature of Business and Significant Accounting Policies (Continued)

The Bond Redemption Fund - The Bond Redemption Fund is a debt service fund used to record principal and interest payments related to bonds issued by the School District.

Additionally, the School District reports the following fund types:

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The School District's only special revenue fund is the Food Service Fund. Any operating deficit generated by these activities is the responsibility of the General Fund.

Debt Service Funds - Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The School District's nonmajor debt service fund is the judgment levy fund.

Capital Projects Funds - Capital projects funds are used to record bond proceeds or other revenue and the disbursement specifically designated for acquiring new school sites, buildings, equipment, and for remodeling. The fund operates until the purpose for which it was created is accomplished. The School District's nonmajor capital projects funds include the 1986 School Building Site Improvement Bonds, the 1994 School Building Site Improvement Bonds Series V, the 2009B Building Site Improvement Bonds, and the Durant Bond funds.

Agency Funds - Agency funds are custodial in nature and do not present results of operations or have a measurement focus. The School District presents and maintains an agency fund to record the transactions of student groups for school and school-related purposes. The funds are segregated and held in trust for the students.

Private-purpose Trust Fund - The Private-purpose Trust Fund is used to account for resources legally held in trust, including contributions received by the School District to be awarded in the form of scholarships.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Equity

Cash and Investments - Cash and cash equivalents 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.

Receivables and Payables - In general, outstanding balances between funds are reported as "due to/from other funds." Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "advances to/from other funds."

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

All trade and property tax receivables are shown net of an allowance for uncollectible amounts. Property taxes are assessed as of December 31 and the related property taxes become a lien on December 1 of the following year. These taxes are billed on July 1 for approximately 50 percent of the taxes and on December 1 for the remainder of the property taxes. 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.

Prepays - Prepaid expenditures 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 costs in both government-wide and fund financial statements. Reported prepaid items are equally offset by nonspendable fund balance which indicates that they do not constitute "available spendable resources" even though they are a component of current assets.

Restricted Assets - The unspent bond proceeds and related interest of the capital projects funds require amounts to be set aside for construction. The unspent program income earned by the Food Service Fund is required to be set aside for food services. The unspent property taxes levied in the debt service funds are required to be set aside for future bond principal and interest. In addition, the portion of General Fund cash and investments which relates to General Fund interfund payables to the Bond Redemption Fund and Food Service Fund represents cash collected on behalf of those funds that have yet to be distributed to those funds; therefore, these amounts have been classified as restricted assets.

Capital Assets - Capital assets, which include land, buildings, equipment, and vehicles, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the School District 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 (in years):

Buildings and building improvement	20 to 50 years
Buses and other vehicles	5 to 10 years
Furniture and other equipment	5 to 20 years

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Compensated Absences - The liability for compensated absences reported in the government-wide statements consists of unpaid, accumulated vacation and sick leave benefits. A liability for these amounts is reported in governmental funds as it comes due for payment. The liability has been calculated using the vesting method, in which 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 government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as debt service expenditures

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period.

The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources - In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position or fund balance that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School District reports deferred outflows related to pensions and deferred charges on prior bond refundings.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds report unavailable revenue, which arise only under a modified accrual basis of accounting, from long-term receivables. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The School District also reports deferred inflows related to its pension plan and to revenue in support of pension payments made subsequent to the measurement date.

Note I - Nature of Business and Significant Accounting Policies (Continued)

Fund Balance - In the fund financial statements, governmental funds report the following components of fund balance:

- **Nonspendable:** Amounts that are not in spendable form or are legally or contractually required to be maintained intact
- **Restricted:** Amounts that are legally restricted by outside parties, constitutional provision, or enabling legislation for use for a specific purpose
- **Committed:** Amounts that have been formally set aside by the Transition Manager for use for specific purposes. Commitments are made and can be rescinded only via Executive Order of the Transition Manager.
- **Assigned:** Intent to spend resources on specific purposes expressed by the Transition Manager who is authorized by Executive Order to make assignments
- **Unassigned:** Amounts that do not fall into any other category above. This is the residual classification for amounts in the General Fund and represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes in the General Fund. In other governmental funds, only negative unassigned amounts are reported, if any, and represent expenditures incurred for specific purposes exceeding the amounts previously restricted, committed, or assigned to those purposes

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Pensions - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Michigan Public School Employees Retirement System (MPERS) and additions to/deductions from MPERS fiduciary net position have been determined on the same basis as they are reported by MPERS. MPERS uses the economic resources measurement focus and the full accrual basis of accounting. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments (including refunds of employee contributions) are recognized as expense when due and payable in accordance with the benefit terms. Related plan investments are reported at fair value.

Detroit Public Schools

Notes to Financial Statements June 30, 2016

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Adoption of New Standard - As of June 30, 2016, the School District adopted Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application* and No. 79, *Certain External Investment Pools and Pool Participants*. GASB Statement No. 72 provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements. GASB Statement No. 79 provides guidance for determining whether certain investment pools can continue to be accounted for using amortized cost. The adoption did not have a significant impact on amounts reported in the financial statements.

Prior Period Restatement/Bond Redemption Fund and General Fund

Bond Redemption Fund - As a result of an error in recording property tax revenue in a previous year, the School District recorded an adjustment to decrease the beginning of year fund balance and decrease the amount due from the General Fund in the amount of \$18,514,642. A corresponding change was recorded in the General Fund as an increase to fund balance and a reduction to the amount due to the Bond Redemption Fund.

General Fund - During fiscal year 2015, the School District did not properly record interest and penalties related to delinquent retirement contributions. As a result, interest and penalties in the amount of \$10,160,628 were recorded and the effect was to reduce fund balance and report the amounts as part of the outstanding obligation at June 30, 2016.

Government-wide - The adjustment for property taxes did not affect the government-wide beginning of year net position. The adjustment for interest and penalties increased the beginning of year net position by \$10,160,628.

A summary of the changes in fund balance and government-wide net position is as follows:

	<u>General Fund</u>	<u>Bond Redemption</u>	<u>Government- wide Net Position</u>
Fund balance (deficit) at June 30, 2015	\$ (215,931,917)	\$ 31,794,974	\$ (1,664,735,120)
Property tax revenue misstatement	18,514,642	(18,514,642)	-
Interest and penalties related to delinquent retirement contributions as of June 30, 2015	<u>(10,160,628)</u>	<u>-</u>	<u>(10,160,628)</u>
Fund balance (deficit)/net position at June 30, 2015 - As restated	<u>\$ (207,577,903)</u>	<u>\$ 13,280,332</u>	<u>\$ (1,674,895,748)</u>

Detroit Public Schools

Notes to Financial Statements June 30, 2016

Note 2 - Stewardship, Compliance, and Accountability

Budgetary Information - Annual budgets are adopted on a basis consistent with generally accepted accounting principles and state law for the General Fund and all special revenue funds.

The budget document presents information by fund and 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. During the year, the budget was amended in a legally permissible manner. There were significant amendments during the year that are further discussed in the management's discussion and analysis.

Encumbrance accounting is employed in governmental funds. Amounts encumbered for purchase orders, contracts, etc. are not tracked during the year. Budget appropriations are considered to be spent once the goods are delivered or the services rendered.

Significant Budget Variances - The final adopted budget for the General Fund did not reflect unavailable deferred inflows of \$37,672,106 the year ended June 30, 2016 associated with certain grant activity. As a result, federal revenue was less than budgeted and will be reflected in the fiscal 2017 activity. During the year, the School District had the following significant unfavorable expenditure budget variances in the General Fund:

	<u>Budget</u>	<u>Actual</u>
Business office	\$ 16,032,671	\$ 34,263,027
Operations and maintenance	86,807,896	91,646,321
Other	293,017	557,034
Athletics	1,066,775	1,423,839

Fund Deficits - For the year ended June 30, 2016, the School District had unassigned deficit fund balances in the General Fund and the 2009B Building Site Improvement Bonds Fund (nonmajor capital projects fund) of \$251,587,254 and \$39,385, respectively, which is a violation of state law. The School District files required deficit elimination plans for the General Fund. Creation of the Detroit Public School Community District, effective July 1, 2016, is designed to ultimately mitigate the General Fund deficit.

Capital Projects Fund Compliance - The capital projects funds include capital project activities funded with bonds issued after May 1, 1994. For current year activity of the 1994 Building Site Improvement Bonds Series V and 2009 Series A Building Site Improvement Bonds Fund, the School District has complied with the applicable provisions of §1351a of the State of Michigan's School Code.

Detroit Public Schools

Notes to Financial Statements June 30, 2016

Note 2 - Stewardship, Compliance, and Accountability (Continued)

Noncompliance with Legal or Contractual Provisions - At June 30, 2016, the School District had a balance due to the Michigan Office of Retirement Services (ORS) of approximately \$165,500,000, consisting of delinquent employer contributions for both retirement and postemployment benefits, and related interest and penalties. This is a violation of Public Act 300 of 1980. The School District entered into a payment agreement with ORS subsequent to year end, allowing the School District to pay the amounts due over a period not to exceed 12 years, with interest and fees assessed at 6 percent and 2 percent, respectively, on the outstanding balance.

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 three banks and one credit union for the deposit of its funds.

There are no limitations or restrictions on participant withdrawals for the investment pools that are recorded at amortized cost (except that there is a one-day minimum investment period) and investments may not be redeemed for at least 14 calendar days with the exception of direct investments of funds distributed by the State of Michigan. Redemptions made prior to the end of the applicable 14-day period are subject to a penalty equal to 15 days' interest on the amount so redeemed.

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 be used for the School District's deposits for custodial credit risk. At year end, the School District's deposit balance of \$50,729,691 had \$49,951,752 of bank deposits (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.

Detroit Public Schools

Notes to Financial Statements June 30, 2016

Note 3 - Deposits and Investments (Continued)

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 that custodial credit risk will be minimized by limiting investments to the types of securities allowed by state law, and by pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which the School District will do business using the criteria established in the investment policy. At year end, the School District did not hold any investments that were subject to 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 does not restrict investment maturities, other than commercial paper which can only be purchased with a 270-day maturity. 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; and 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. At year end, the School District did not hold any investments with maturity dates.

Credit Risk - State law limits investments in commercial paper to the top two 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 are as follows:

<u>Investment</u>	<u>Fair Value</u>	<u>Maturities</u>	<u>Rating</u>	<u>Rating Organization</u>
MILAF+ Cash management Class	\$ 10,015,751	N/A	AAAm/NR	S&P Moody's
MILAF+ Max Class	167	N/A	AAAm/NR	S&P Moody's
Total investments	<u>\$ 10,015,918</u>			

Concentration of Credit Risk - The School District places no limit on the amount the School District may invest in any one issuer. 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. All investments held at year end are reported in the schedule above.

Detroit Public Schools

Notes to Financial Statements June 30, 2016

Note 3 - Deposits and Investments (Continued)

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 - Unavailable/Unearned Revenue

Governmental funds report unavailable revenue in connection with receivables for revenue that is not considered available to liquidate liabilities of the current period. Governmental funds also recognize unearned revenue in connection with resources that have been received but not yet earned. The majority of unavailable revenue relates to federal grant funding not yet received. Unearned revenue of grant and categorical aid relates primarily to Great Start Readiness Program (GSRP) funding, which is passed through to local districts by the intermediate school district. Additionally, a significant portion of unearned revenue relates to cell tower leases whereby the lessors prepaid the lease payments in a previous year. The cell tower lease revenue is earned monthly over a period of 15-20 years.

	Governmental Funds	
	Deferred Inflow - Unavailable	Liability - Unearned
Land contract receivable	\$ 2,511,628	\$ -
Grant and categorical aid payments not received until subsequent to 60 days after year end	35,160,478	-
Grant and categorical aid payment received prior to meeting all eligibility requirements	-	2,978,862
Cell tower leases	-	3,617,600
Overpayment of Medicaid claims	-	1,394,883
	\$ 37,672,106	\$ 7,991,345
Total		

Detroit Public Schools

Notes to Financial Statements June 30, 2016

Note 5 - Capital Assets

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

Governmental Activities	Balance July 1, 2015	Transfers	Additions	Disposals and Adjustments	Balance June 30, 2016
Capital assets not being depreciated:					
Land	\$ 55,678,168	\$ -	\$ -	\$ 28,577	\$ 55,649,591
Construction in progress	3,169,727	(3,169,727)	-	-	-
Subtotal	58,847,895	(3,169,727)	-	28,577	55,649,591
Capital assets being depreciated:					
Land improvements	102,443,164	-	-	1,303,610	101,139,554
Buildings and improvements	1,804,653,250	2,722,168	1,795,532	5,138,416	1,804,032,534
Machinery and other equipment	207,722,273	447,559	1,020,246	41,788	209,148,290
Vehicles	2,509,961	-	32,410	-	2,542,371
Subtotal	2,117,328,648	3,169,727	2,848,188	6,483,814	2,116,862,749
Accumulated depreciation:					
Land improvements	56,264,113	-	4,797,410	623,826	60,437,697
Buildings and improvements	563,355,418	-	43,943,262	3,132,694	604,165,986
Furniture and equipment	175,029,082	-	4,709,747	10,315	179,728,514
Machinery and other equipment	2,074,557	-	109,568	-	2,184,125
Subtotal	796,723,170	-	53,559,987	3,766,835	846,516,322
Net capital assets being depreciated	1,320,605,478	3,169,727	(50,711,799)	2,716,979	1,270,346,427
Net capital assets	\$ 1,379,453,373	\$ -	\$ (50,711,799)	\$ 2,745,556	\$ 1,325,996,018

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

Governmental activities:

Instruction	\$ 28,841,067
Support services	3,371,311
Community services	36,385
Food services	867,882
Athletics	1,518,705
Unallocated	18,924,637
Total governmental activities	\$ 53,559,987

Depreciation expense was unallocated whereby the School District considers its assets to impact multiple activities and allocation is not practical.

At year end, the School District had no significant construction commitments with contractors.

Detroit Public Schools

Notes to Financial Statements June 30, 2016

Note 5 - Capital Assets (Continued)

Asset Impairment - When buildings are closed or utilization changes, the School District is required, in accordance with GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets*, to assess the carrying value of the affected assets for possible impairment. Impaired assets are reported at the lower of carrying value or fair value. The fair values of the School District's buildings identified for closure were estimated, and the book values were adjusted if the fair value was lower than the net book value. Assets with a net book value of approximately \$8,100,000 are considered to be impaired at year end.

Note 6 - Interfund Receivables, Payables, and Transfers

The composition of interfund balances is as follows:

Fund Due To	Fund Due From		Total
	General Fund	Nonmajor Governmental Funds	
General Fund	\$ -	\$ 57,489	\$ 57,489
Bond Redemption Fund	20,262,551	-	20,262,551
Nonmajor governmental funds	4,458,222	-	4,458,222
Fiduciary funds	36,602	-	36,602
Total	\$ 24,757,375	\$ 57,489	\$ 24,814,864

Interfund receivables and payables occur in the course of ordinary operations and reflect short-term transactions between funds. All interfund balances are expected to be repaid within one year.

The composition of transfers is as follows:

Transfer In	Transfer Out		Total
	General Fund	Nonmajor Governmental Funds	
General Fund	\$ -	\$ 2,370,967	\$ 2,370,967
Nonmajor governmental funds	1,295,580	-	1,295,580
Total	\$ 1,295,580	\$ 2,370,967	\$ 3,666,547

At fiscal year end, interfund transfers consisted of a transfer from the Food Service Fund to the General Fund for administrative costs. Transfers were also made out of the General Fund to both the Judgment Levy and Durant Bond funds in order to close those funds, as there will be no further activity.

Detroit Public Schools

Notes to Financial Statements June 30, 2016

Note 7 - Long-term Debt

The School District issues bonds 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. The School District has issued notes payable to refinance short-term state aid anticipation notes into long-term payables. Other long-term obligations include compensated absences, claims and judgments, termination benefits, and certain risk liabilities. In prior years, the General Fund has typically been used to liquidate non-bonded debt related to long-term liabilities. The current portion of compensated absences reported in the General Fund, \$553,595, relates to the unpaid balance for terminated employees as of June 30, 2016, which is expected to be paid using current available resources.

Long-term debt activity can be summarized as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Bonds Payable					
School building and site improvement bonds:					
Series 1998C	\$ 48,355,000	\$ -	\$ 3,800,000	\$ 44,555,000	\$ 4,000,000
Series 2001A	183,695,000	-	-	183,695,000	-
Series 2002A	35,785,000	-	-	35,785,000	-
Series 2005A	226,800,000	-	-	226,800,000	-
Series 2009A	74,920,000	-	5,595,000	69,325,000	6,325,000
Series 2009B	191,400,000	-	5,250,000	186,150,000	1,600,000
Series 2010A	144,090,000	-	7,755,000	136,335,000	6,910,000
Series 2010B	49,630,000	-	-	49,630,000	-
Series 2012A	304,820,000	-	8,490,000	296,330,000	8,595,000
Series 2015A	192,580,000	-	22,605,000	169,975,000	29,105,000
Total school building and site improvement bonds	1,452,075,000	-	53,495,000	1,398,580,000	56,535,000
Unamortized bond premium	74,129,609	-	9,260,258	64,869,351	8,590,562
Notes payable:					
Series 2011	165,042,063	-	24,415,928	140,626,135	25,577,684
Series 2012	94,215,000	-	17,105,000	77,110,000	17,960,000
Other liabilities:					
Compensated absences payable	3,163,565	1,695,865	172,485	4,686,945	732,911
Employee severance plan	14,874,995	-	8,472,676	6,402,319	6,098,418
Workers' compensation and health insurance claims	18,167,069	9,744,268	9,134,407	18,776,930	742,618
Legal and other	3,416,874	4,035,364	3,416,874	4,035,364	3,985,364
School Loan Revolving Fund	195,871,743	50,145,861	-	246,017,604	-
Total governmental activities	<u>\$ 2,020,955,918</u>	<u>\$ 65,621,358</u>	<u>\$ 125,472,628</u>	<u>\$ 1,961,104,648</u>	<u>\$ 120,222,557</u>

Detroit Public Schools

Notes to Financial Statements June 30, 2016

Note 7 - Long-term Debt (Continued)

Annual debt service requirements to maturity for long-term debt are as follows:

Years Ending June 30	School Building and Site Improvement Bonds					Notes Payable		
	Principal	Interest	Interest Subsidy	Net Interest	Total - Net	Principal	Interest	Total
2017	\$ 56,535,000	\$ 81,964,228	\$ (13,738,048)	\$ 68,226,180	\$ 124,761,180	\$ 43,537,684	\$ 9,471,291	\$ 53,008,975
2018	58,995,000	79,772,396	(13,706,631)	66,065,765	125,060,765	45,653,774	7,355,298	53,009,072
2019	61,525,000	77,538,336	(13,672,148)	63,866,188	125,391,188	47,864,278	5,141,291	53,005,569
2020	64,285,000	75,080,276	(13,635,051)	61,445,225	125,730,225	49,886,482	3,117,218	53,003,700
2021	67,195,000	72,467,282	(13,587,295)	58,879,987	126,074,987	30,793,917	1,462,712	32,256,629
2022-2026	387,950,000	315,098,180	(69,034,692)	246,063,488	634,013,488	-	-	-
2027-2031	472,810,000	185,956,818	(51,956,586)	134,000,232	606,810,232	-	-	-
2032-2036	155,350,000	55,849,928	(18,179,175)	37,670,753	193,020,753	-	-	-
2037-2041	73,935,000	11,747,792	(4,111,726)	7,636,066	81,571,066	-	-	-
Total	<u>\$ 1,398,580,000</u>	<u>\$ 955,475,236</u>	<u>\$(211,621,352)</u>	<u>\$ 743,853,884</u>	<u>\$2,142,433,884</u>	<u>\$ 217,736,135</u>	<u>\$ 26,547,810</u>	<u>\$ 244,283,945</u>

Detroit Public Schools

Notes to Financial Statements June 30, 2016

Note 7 - Long-term Debt (Continued)

Governmental Activities

General obligation bonds consist of the following:

\$84,855,000 - 1998 Series C Refunding Bonds due in annual installments of \$4,000,000 to \$6,025,000 through May 2025; interest at 3.50 to 5.25 percent	\$ 44,555,000
\$438,365,000 - 2001 Series A Building & Site Bonds due in annual installments of \$0 to \$43,310,000 through May 2029; interest at 3.00 to 6.00 percent	183,695,000
\$388,995,000 - 2002 Series A Building & Site Bonds due in annual installments of \$0 to \$12,630,000 through May 2021; interest at 3.00 to 6.00 percent	35,785,000
\$500,000,000 - 2005 Series A Refunding Bonds due in annual installments of \$0 to \$69,165,000 through May 2032; interest at 5.00 to 5.25 percent	226,800,000
\$90,000,000 - 2009 Series A Qualified School Construction Bonds due in annual installments of \$6,325,000 to \$9,745,000 through May 2025; interest at 3.19 percent	69,325,000
\$200,000,000 - 2009 Series B Build America Bonds due in annual installments of \$1,600,000 to \$18,625,000 through May 2039; interest from 6.05 to 7.75 percent with a federal interest subsidy of 27.70 percent of the annual interest due	186,150,000
\$160,910,000 - 2010 Series A Qualified School Construction Bonds due in annual installments of \$6,910,000 to \$16,850,000 through May 2029; interest at 6.65 percent	136,335,000
\$49,630,000 - 2010 Series B Build America Bonds due in annual installments of \$0 to \$4,515,000 through May 2040; interest at 6.85 percent with a federal interest subsidy of 27.70 percent of the annual interest due	49,630,000
\$337,735,000 - 2012 Series A Refunding Bonds due in annual installments of \$8,595,000 to \$27,450,000 through May 2033; interest at 3.00 to 5.00 percent	296,330,000
\$192,580,000 - 2015 Series A Refunding Bonds due in annual installments of \$11,520,000 to \$29,410,000 through May 2025; interest at 5.00 percent	169,975,000
Total bonded debt	<u>\$ 1,398,580,000</u>

Detroit Public Schools

Notes to Financial Statements June 30, 2016

Note 7 - Long-term Debt (Continued)

The 2009 Series A and 2010 Series A bonds require that annual payments be paid to a trustee which holds the proceeds in trust for full payment of the full amount of the bonds at maturity. The bonds are considered defeased at the time the payments are made to the trust.

Notes payable consist of the following:

Description	Original Amount	Due Date	Interest Rate	Remaining to Maturity	
				Interest	Principal
Series 2011	\$ 244,910,407	06/01/2021	4.75%	\$ 20,658,395	\$ 140,626,135
Series 2012	141,095,000	06/01/2020	1.26% - 5.02%	5,889,414	77,110,000
Total	<u>\$ 386,005,407</u>			<u>\$ 26,547,809</u>	<u>\$ 217,736,135</u>

School Loan Revolving Fund - The School Loan Revolving Fund payable represents notes payable to the State of Michigan for loans made to the School District, as authorized by the 1963 State of Michigan Constitution, for the purpose of paying principal and interest on general obligation bonds of the School District issued for capital expenditures. Interest rates are to be annually determined by the State Administrative Board. The interest rate charged to the School District for the year was 3.34 percent through June 30, 2016. Repayment is required when the millage rate necessary to cover the annual bonded debt service requirements falls below 7.0 mills. As of June 30, 2016, the School District did not have a current balance due as a result of this requirement. The School District is required to levy mills and repay the State any excess of the amount levied over the bonded debt service requirement. Due to the variability of the factors that affect the timing of repayment, including the future amount of state-equalized value of property in the School District, no provision for repayment has been included in the above amortization schedule. Changes in principal and interest were as follows:

	Principal	Interest	Total
Beginning balance	\$ 181,301,167	\$ 14,570,576	\$ 195,871,743
Additions	<u>43,190,775</u>	<u>6,955,086</u>	<u>50,145,861</u>
Ending balance	<u>\$ 224,491,942</u>	<u>\$ 21,525,662</u>	<u>\$ 246,017,604</u>

Note 7 - Long-term Debt (Continued)

Compensated Absences - On August 19, 2011, the School District's Emergency Manager signed an Amended Order Relating to Wage, Compensation and Benefits Structure for District Employees (Amended Order). Wage and compensation restructuring provisions of the Amended Order became effective July 29, 2011. The Amended Order, among other wage and compensation restructuring provisions, suspended payment by the School District of any sick days remaining unused at the time of an employee's resignation or retirement.

During fiscal year 2013, union contracts were negotiated suspending payment of unused sick leave days throughout the duration of the agreements. This suspension is applicable to all Detroit Public Schools unions with the exception of the Detroit Federation of Teachers. As part of the union contract, these benefits were negotiated at a reduced rate each year with a maximum of 200 days paid to retirees. The School District has agreed to provide restoration and payment of unused sick days at retirement for employees who retire effectively July 1 and August 1 and whose irrevocable separation-from-service form is submitted no later than May 1 of each year until 2016. It is the School District's intent to periodically review this and other provisions in the Amended Order to determine if any should be modified. This provision was not amended in fiscal year 2016.

Termination Benefits - Employee Severance Plans - The Employee Severance Plan (ESP) was available to actively working employees with Detroit Public Schools represented by the Detroit Federation of Teachers (DFT) excluding hourly and substitutes, who, (1) had 10 or more years of service with the School District as of June 30, 2013; or (2) were earning a minimum of \$60,000 and had a minimum of five years of service with the School District as of June 30, 2013. The ESP was also available to employees represented by AFSCME, Local 345, OSAS, OSAS Related, DAEOE, DAEOE Related, Police Officers Association of Michigan (POAM), POAM Related, Police Officers Labor Council, NISP, Paraprofessionals, and non-represented employees including principals, assistant principals, and executive staff who had 10 or more years of service with the School District as of June 30, 2013. However, the ESP was not available to any School District employee who notified the School District in writing on or before May 1, 2013 that he/she would be resigning or retiring from DPS for the 2012-2013 school year, was a substitute, temporary or contracted employee, was laid off or terminated, or who had previously retired and returned to the School District. A similar plan was also made available to employees represented by DFT meeting the same requirements as of June 30, 2014 and 2015. This plan was not offered in fiscal year 2016.

Note 7 - Long-term Debt (Continued)

The School District is paying a severance incentive payment to any eligible employee who participates in the ESP, provided that the employee has fulfilled his/her contractual obligations through his/her exit date. Eligible employees electing the ESP were required to select a separation of service date of June 30, 2013, or a separation date of June 30, 2014 or July 31, 2014 (for qualified DFT members assigned to summer school or extended year programs) for the ESP offered in 2014. The School District reserved the right to change the separation date of a participant to an alternate date based on operational needs as determined solely by the School District; however, the alternate date shall not be later than June 30, 2015 or July 31, 2015. If the School District exercises this right, the alternate date selected by the School District became the separation of service date of the employee. An employee retained through an alternate date selected by the School District received the same ESP benefit dollar amount he/she would have received had the School District not changed the exit date, but the ESP benefit payments started not later than four months following his/her actual exit date. Failure to fulfill contractual obligations through the employee's exit date will result in forfeiture of the ESP benefits. Death or disability is not considered a lack of fulfillment of contractual obligations, and does not preclude the employee from receiving ESP benefits.

Following separation from service with the School District, the employee is free to accept full or part-time employment with another employer, or perform substitute services, or other employment with the School District at the School District's sole discretion.

For the 2013 plan year, employees who elected to participate in the ESP will receive a severance incentive payment in an amount equal to sixty-five percent (65.0 percent) of his/her 2012-2013 post-concession base annual salary. Employees elected to participate in the ESP from May 13, 2013 through June 28, 2013. In fiscal year 2013, the ESP had 184 participants. For the plan offered in 2014, employees who elect to participate in the ESP will receive a severance incentive payment in an amount equal to 60 percent of his/her 2013-2014 base annual salary, plus applicable sick leave pay and Termination Incentive Pay (TIP).

Participants receive payment of the total plan benefit over a period of five years, divided into 60 equal monthly payments paid to an annuity contract or custodial account that is designed to meet the tax-qualification requirements of Internal Revenue Code Section 403(b).

Detroit Public Schools

Notes to Financial Statements June 30, 2016

Note 8 - State Aid Anticipation Notes

The proceeds from the sale of these notes provide the School District with funds to meet its cash flow requirements for the current fiscal year. The School District's state aid revenue is pledged to repay this obligation, and amounts are set-aside from state aid revenue due the School District sufficient to retire this obligation at maturity.

Note	Date of Issuance	Maturity Date	Interest Rate	Beginning Balance	Additions	Retirements	Ending Balance
2015B	05/19/15	06/01/16	4.750%	\$ 82,800,000	\$ -	\$ (82,800,000)	\$ -
2015E	09/16/15	08/22/16	5.750%	-	121,200,000	(69,942,231)	51,257,769
Total				<u>\$ 82,800,000</u>	<u>\$ 121,200,000</u>	<u>\$(152,742,231)</u>	<u>\$ 51,257,769</u>

On September 16, 2015, the School District issued \$121,200,000 of state aid anticipation notes. The proceeds of these notes were used for cash flow requirements, required a pledge of state aid, and had state aid set-aside amounts in order to service the notes to maturity.

Note 9 - 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 medical claims, and is self-insured for workers' compensation, dental insurance, and other claims, litigation, and assessments. Accruals for claims, litigation, and assessments are recorded in the government-wide financial statements. These accruals are recorded in the fund financial statements, within the governmental funds, when the amounts are due and payable at year end. There were no significant reductions in coverage from the prior year.

Dental insurance and workers' compensation claims that are probable of loss and estimable in amount are included in the government-wide financial statements. The amount of claims liability is based on analyses performed by outside consultants and includes an estimate of incurred claims that have not yet been reported.

Detroit Public Schools

Notes to Financial Statements June 30, 2016

Note 9 - Risk Management (Continued)

A reconciliation of the School District's self-insured claims liability at June 30, 2016 and 2015 is as follows:

	2016	2015
Estimated liability - Beginning of year	\$ 18,167,069	\$ 23,423,112
Claims incurred, including changes in estimate	9,744,268	44,926,076
Payments on claims	<u>(9,134,407)</u>	<u>(50,182,119)</u>
Unpaid claims - End of year	<u>\$ 18,776,930</u>	<u>\$ 18,167,069</u>

The liability for workers' compensation claims includes an estimate of loss and allocated loss adjustment (ALAE). The estimate of loss is based on historical loss runs for the workers' compensation program through June 30, 2016. ALAE represents the cost of legal fees, expert testimony, medical examination, etc., that are associated with the defense and settlement of particular claims. Unallocated loss adjustment expenses are not included in the estimate.

Various legal actions, proceedings, and claims are pending or may be asserted in the future against the School District, including those arising out of personal injuries and civil actions. Some of the foregoing matters involve compensatory and/or punitive damage claims.

Litigation is subject to many uncertainties, the ultimate outcome of which is not predictable; however, the School District's management believes the resulting liabilities from outstanding legal actions, proceedings, and claims will not have a material adverse effect upon the School District's financial position or results of operations. At June 30, 2016, the School District has recorded an estimated liability of approximately \$4.0 million for pending litigation as a long-term obligation.

Note 10 - Michigan Public School Employees Retirement System

Plan Description - The School District participates in the Michigan Public School Employees Retirement System (MPERS or the "System"), 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 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.

Note 10 - Michigan Public School Employees Retirement System (Continued)

The Michigan Public School Employees Retirement System issues a publicly available financial report that includes financial statements and required supplemental 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 (ORS) at 7150 Harris Drive, P.O. Box 30171, Lansing, MI 48909.

Contributions - Public Act 300 of 1980, as amended, required the School District to contribute amounts necessary to finance the coverage of pension benefits of active and retired members. Contribution provisions are specified by state statute and may be amended only by action of the State Legislature. Under these provisions, each school district's contribution is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance a portion of the unfunded accrued liability.

School district's contributions are determined based on employee elections. There are seven different benefit options included in the plan available to employees based on date of hire. Contribution rates are adjusted annually by the ORS.

The range of rates is as follows:

School District

October 1, 2014 - September 30, 2015	18.76% - 23.07%
October 1, 2015 - June 30, 2016	14.56% - 18.95%

Depending on the plan selected, plan member contributions range from 0 percent up to 7.0 percent of gross wages. Plan members electing into the defined contribution plan are not required to make additional contributions.

The School District's required contributions to the plan for the year ended June 30, 2016 were \$81,354,604. The School District makes contributions on a current basis; however, the School District has historically been delinquent on contributions, and payments are first applied to the oldest outstanding balances. Contributions include an allocation of \$23,424,070 received from the State of Michigan, and remitted to the System, to fund the MPSERS Unfunded Actuarial Accrued Liability (UAAL) Stabilization Rate for the year ended June 30, 2016.

Benefits Provided - Benefit provisions of the defined benefit pension plan are established by state statute, which may be amended. Public Act 300 of 1980, as amended, establishes eligibility and benefit provisions for the defined benefit (DB) pension plan.

Note 10 - Michigan Public School Employees Retirement System (Continued)

Depending on the plan option selected, member retirement benefits are calculated as final average compensation times years of service times a pension factor ranging from 1.25 percent to 1.50 percent. The requirements to retire range from attaining the age of 46 to 60 with years of service ranging from 5 to 30 years, depending on when the employee became a member. Early retirement is computed in the same manner as a regular pension, but is permanently reduced 0.50 percent for each full and partial month between the pension effective date and the date the member will attain age 60. There is no mandatory retirement age.

Members are eligible for non-duty disability benefits after 10 years of service and for duty-related disability benefits upon hire. Disability retirement benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. The disability benefits plus authorized outside earnings are limited to 100 percent of the participant's final average compensation with an increase of 2 percent each year thereafter.

Benefits may transfer to a beneficiary upon death and are determined in the same manner as retirement benefits, but with an actuarial reduction.

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance subsequent to the employee's retirement date. The annual adjustment, if applicable, is 3 percent. For some members who do not receive an annual increase, they are eligible to receive a supplemental payment in those years when investment earnings exceed actuarial assumptions.

Net Pension Liability, Deferrals, and Pension Expense - At June 30, 2016, the School District reported a liability of \$863,027,538 for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of September 30, 2014, which used updated procedures to roll forward the estimated liability to September 30, 2015. The School District's proportion of the net pension liability was based on a projection of its long-term share of contributions to the pension plan relative to the projected contributions of all participating reporting units, actuarially determined. At September 30, 2015, the School District's proportion was 3.53337 percent.

Detroit Public Schools

Notes to Financial Statements June 30, 2016

Note 10 - Michigan Public School Employees Retirement System (Continued)

For the year ended June 30, 2016, the School District recognized pension expense of \$46,342,539, exclusive of payments to fund the MPSERS UAAL Stabilization Rate. At June 30, 2016, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ (2,858,600)
Changes of assumptions	21,249,566	-
Net difference between projected and actual earnings on pension plan assets	4,405,059	-
Changes in proportion and differences between the School District's contributions and proportionate share of contributions	165,899	(99,063,600)
The School District's contributions subsequent to the measurement date	<u>64,410,201</u>	<u>-</u>
Total	<u>\$ 90,230,725</u>	<u>\$ (101,922,200)</u>

Included in the total deferred inflows of resources on the statement of net position is \$23,424,070 related to the allocation of UAAL contributions to the pension liability. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending June 30	Amount
2017	\$ (24,180,033)
2018	(24,180,033)
2019	(25,341,225)
2020	<u>(2,400,385)</u>
Total	<u>\$ (76,101,676)</u>

In addition, the contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the next year.

Detroit Public Schools

Notes to Financial Statements June 30, 2016

Note 10 - Michigan Public School Employees Retirement System (Continued)

Actuarial Assumptions - The total pension liability as of September 30, 2015 is based on the results of an actuarial valuation date of September 30, 2014 and rolled forward:

Actuarial cost method	Entry age normal cost actuarial cost method
Investment rate of return	7.0 to 8.0 percent, net of investment expenses based on the groups
Salary increases	3.5 - 12.3 percent, including wage inflation of 3.5 percent
Mortality basis	RP2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2025 using projection scale BB
Cost of living pension adjustments	3 percent annual noncompounded for MIP members

The actuarial assumptions used for the September 30, 2014 valuation were based on the results of an actuarial experience study for the period from October 1, 2007 to September 30, 2012. As a result of this study, the actuarial assumptions were adjusted to more closely reflect actual experience.

Discount Rate - The discount rate used to measure the total pension liability was 7.0-8.0 percent depending on the plan option. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions will be made at contractually required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Detroit Public Schools

Notes to Financial Statements June 30, 2016

Note 10 - Michigan Public School Employees Retirement System (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Investment Category	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity pools	28.0 %	5.9 %
Private equity pools	18.0 %	9.2 %
International equity pools	16.0 %	7.2 %
Fixed-income pools	10.5 %	0.9 %
Real estate and infrastructure pools	10.0 %	4.3 %
Real return, opportunistic, and absolute pool	15.5 %	6.0 %
Short-term investment pools	2.0 %	- %
Total	100.0 %	

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the net pension liability of the School District calculated using the discount rate of 7.00 - 8.00 percent, depending on the plan option. The following also reflects what the School District's net pension liability would be if it were calculated using a discount rate that is 1.00 percentage point lower (6.0 - 7.0 percent) or 1.00 percentage point higher (8.0 - 9.0 percent) than the current rate:

1.00 Percent Decrease (6.0 - 7.0 Percent)	Current Discount Rate (7.0 - 8.0 Percent)	1.00 Percent Increase (8.0 - 9.0 Percent)
\$ 1,112,663,731	\$ 863,027,538	\$ 652,574,005

Pension Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in the separately issued MPSERS financial report.

Payable to the Pension Plan - At June 30, 2016, the School District reported a payable of \$109,305,119 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2016. This amount excludes interest and fees of \$24,395,253 which have also been accrued at June 30, 2016.

Note 10 - Michigan Public School Employees Retirement System (Continued)

Postemployment Benefits Other Than Pensions (OPEB) - Under the MPSERS act, all retirees participating in the MPSERS pension plan have the option of continuing health, dental, and vision coverage through MPSERS. Retirees electing this coverage contribute an amount equivalent to the monthly cost for Part B Medicare and 10 percent, or 20 percent for those not Medicare eligible, of the monthly premium amount for the health, dental, and vision coverage at the time of receiving the benefits. The MPSERS 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 ranged from 2.2 percent to 2.71 percent of covered payroll for the period from July 1, 2015 to September 30, 2015 and from 6.4 percent to 6.83 percent of covered payroll for the period from October 1, 2015 through June 30, 2016 dependent upon the employee's date of hire and plan election as noted above. Members can choose to contribute 3 percent of their covered payroll to the Retiree Healthcare Fund and keep this premium subsidy benefit or they can elect not to pay the 3 percent contribution and instead choose the Personal Healthcare Fund, which can be used to pay healthcare expenses in retirement. Members electing the Personal Healthcare Fund will be automatically enrolled in a 2 percent employee contribution into their 457 account as of their transition date and create a 2 percent employer match into the employee's 403(b) account.

The School District's required contributions to the plan for retiree healthcare benefits for the years ended June 30, 2016, 2015, and 2014 were \$16,726,091, \$17,279,494, and \$15,567,702, respectively. The School District makes contributions on a current basis; however, the School District has historically been delinquent on contributions, and payments are first applied to the oldest outstanding balances. In addition, a portion ranging from 35-100 percent of the the MPSERS Unfunded Actuarial Accrued Liability (UAAL) Stabilization Rate is considered a contribution to the retiree healthcare plan.

Note 11 - Postemployment Benefits - Termination Incentive Plan (TIP)

Plan Description. The Detroit Federation of Teachers (DFT), Local 231 union contract from July 1, 2009 through June 30, 2012 includes a professional compensation clause: Termination Incentive Plan. This plan started on January 12, 2010 and was expected to expire in fiscal year 2012. On August 19, 2011, the School District's Emergency Manager signed an amended order relating to wages, compensation, and benefits structure for School District employees. This amended order suspended the Termination Incentive Plan. The plan applies to all salaried members of DFT except assistant attendance officers, accompanists, and members who work less than .5 FTEs. A total of \$250 was deducted each pay except during the summer. Plan-to-date, these deductions amounted to \$49 million. If an employee retires or resigns after this agreement, the employee is entitled to \$1,000 for each year of service up to nine years with a cap of \$9,000. No payment will exceed the amount contributed. Payments are subject to pension calculations and reportable to the Office of Retirement at the time the employee receives the funds from the School District.

Funding Policy. The contribution requirements of plan members and the School District are established and may be amended by the School District's Emergency Manager. The School District is required to contribute the annual required contribution of the employer (ARC) at an actuarially determined rate as required by the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded liability (or funding excess) over a period not to exceed 30 years.

Annual OPEB Cost and Net OPEB Obligation. The School District's annual other postemployment benefit (OPEB) cost was \$3,677,865. The required contribution was determined as part of the June 30, 2016 actuarial valuation, using the unprojected unit credit actuarial cost method. Significant actuarial assumptions include a 2.5 percent investment rate of return (net of administrative expenses). The School District's unfunded actuarial accrued liability is being amortized using the level dollar method on a cost basis. The remaining amortization period at June 30, 2016 is two years.

Detroit Public Schools

Notes to Financial Statements June 30, 2016

Note 11 - Postemployment Benefits - Termination Incentive Plan (TIP) (Continued)

The following table shows the components of the School District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the School District's net OPEB obligation:

Annual required contribution	\$ 9,246,516
Interest on net OPEB obligation	285,600
Adjustment to annual required contribution	<u>(5,854,251)</u>
Net OPEB cost (expense)	3,677,865
Contributions made	<u>(2,992,401)</u>
Increase in net OPEB obligation	685,464
Net OPEB obligation - Beginning of year	<u>11,423,985</u>
Net OPEB obligation - End of year	<u><u>\$ 12,109,449</u></u>

Three-Year Trend Information			
Year Ended	Net OPEB Cost	Percentage of Net OPEB Cost Contributed	Net OPEB Obligation
06/30/2014	\$ 6,917,077	49.6%	\$ 6,594,176
06/30/2015	7,113,089	32.1%	11,423,985
06/30/2016	3,677,865	81.4%	12,109,449

Funded Status. As of June 30, 2016, the total accrued liability for benefits on a non-present value basis was **\$25,626,599**, all of which was unfunded.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Note 12 - Jointly Governed Organization

Education Achievement Authority

Creation and Purpose. The Education Achievement Authority (the "EAA"), a Michigan public body corporate and special authority was created effective June 24, 2012. The Michigan Legislature implemented Section 5 of Article III of the State Constitution of 1963 and Section 28 of Article VII of the State Constitution of 1963 by enacting the Urban Cooperation Act of 1967, 1967 (Ex Sese) PA7, MCL124.501 to 124.512 (the "Act"). Under the Act, a public agency may jointly exercise with any other public agency any power, privilege, or authority that the agencies share in common and that each might exercise separately. An agreement between one or more public agencies under the Act may provide for a separate legal or administrative entity, which must be a public body corporate or politic, to administer or execute the agreement.

Effective June 24, 2012, the School District entered into an "Interlocal Agreement" with the Board of Regents of Eastern Michigan University, to create the EAA in an effort to provide improved public education services. As part of this agreement, the EAA is responsible for providing innovative, flexible, transparent, safe, efficient, and effective public educational services. This agreement is effective through June 30, 2017; however, Eastern Michigan University has indicated that it will not extend the agreement beyond June 30, 2017 and at that time the EAA will stop its operations.

Authority Governance. The governing body of the School District appoints two residents of the State as members of the EAA Board. The governing body of the University appoints two residents of the State as members of the EAA Board. The governor of the State appoints seven residents of the State as members of the EAA Board. The governor designates an EAA board member to serve as chairperson of the EAA Board.

The Executive Committee of the EAA consists of five members of the EAA Board and exercises the powers of the EAA unless otherwise provided in the Agreement.

At the time of the formation of the EAA, the Emergency Manager of the School District served on the board of the EAA, as well as the Chairman of the Executive Committee.

Authority Operations. The EAA began organizing during FY 2012-2013 and began actual operation of schools effective July 1, 2013. To facilitate the EAA's operations, the School District and EAA staff engaged in certain transition activities and tasks. These activities and tasks resulted in the EAA and the School District entering into several agreements effective July 1, 2013 through June 30, 2017.

Note 12 - Jointly Governed Organization (Continued)

1. Master Service Agreement - This agreement covers any services that the School District may provide to the EAA and the related compensation the School District is to receive for those services. Subsequent to June 30, 2013 and continuing through the current fiscal year, the School District agreed to provide the following services to the EAA at cost:

- Network operations services
- Security services
- Pupil food services
- High school athletic services
- Assistance with Medicaid billing
- Joint grant management

The accumulated cost reimbursement for these services is approximately \$1,600,000 at June 30, 2016; however, the School District has agreed to waive those fees as the EAA has provided in-kind payments through making capital improvements to the various buildings. The EAA has agreed to pay the new Detroit Public Schools Community District (DPSCD) for services totaling approximately \$831,000 for the year ending June 30, 2017.

2. Various Lease, Asset Transfers, and Pre-K Agreements - Effective July 1, 2013, the School District leased 15 of its schools to the EAA. The initial terms of the leases are for a three-year period. Upon expiration of the agreement, the schools occupied by the EAA will be returned to DPSCD. The base rent for each of the 15 schools is \$1.00 per year. In addition, the EAA agreed to pay the School District the sum equal to the number of Detroit resident students attending school at the premises multiplied by \$910. Similar payments were to continue, under the leases, until all the School District operating debt resulting from deficit financing, outstanding as of June 30, 2013 and each June 30 thereafter, has been retired. The School District also agreed to provide limited pre-kindergarten services in certain leased schools.

During the year, the EAA paid the School District \$1,000,000 in lease payments and has agreed to pay DPSCD for rent totaling approximately \$1,619,000 for the year ending June 30, 2017. Any other outstanding amounts were eliminated and considered uncollectible.

Detroit Public Schools

Notes to Financial Statements June 30, 2016

Note 12 - Jointly Governed Organization (Continued)

The Authority is responsible for all costs of operating the various schools. The School District will reimburse the EAA for costs required to mitigate facility code violations up to a maximum of 20 percent of the annual rental payments. Generally, all fixtures, equipment, and furnishings paid for by the School District remain the property of the School District. Upon expiration of the agreement between the School District and Eastern Michigan University on June 30, 2017, the buildings will be returned to the full control of the School District. The School District is currently working with the EAA to determine the steps necessary for an orderly transition associated with the conclusion of the EAA agreement.

Note 13 - Subsequent Events

Detroit Public Schools Community District - Effective July 1, 2016, the Michigan Legislature approved a set of bills to restructure Detroit Public Schools (DPS). The bills effectively split the School District into two entities, Detroit Public Schools and Detroit Public Schools Community District (DPSCD). The bills include a funding package totaling \$617 million. DPS will continue to exist for the purposes of collecting 18 mills of property taxes on non-homestead properties, which are authorized to be assessed and collected through 2022. The tax revenue from the 18 mills will be used to pay down the certain remaining notes payable (the 2011 and 2012 Series notes payable), an emergency loan, the outstanding balance due to the state retirement system, certain vendor balances, and other obligations as negotiated with the Michigan Department of Treasury.

Note 13 - Subsequent Events (Continued)

DPSCD will hold the school buildings and all the assets and employee liabilities that are not specifically left in DPS, and will be responsible for overseeing the daily operations of the schools, including student education. The students, employees, contracts, employee benefits, and assets moved over to DPSCD when it was established. Once DPS's allocated debt has been discharged, DPS will dissolve. The bills included a funding package totaling approximately \$617 million. These funds were comprised of \$49 million which was disbursed in April 2016, \$150 million as an emergency loan to DPS, refunding \$227 million for refunding of the 2011 and 2012 revenue bonds, \$165 million for the repayment of the ORS obligation, and the remaining funds will be used for repayment of vendor obligations. The emergency loan was to be used for certain operational and transitional costs. These costs could include, but would not be limited to, academic and instructional support, professional transition costs, payments to vendors, costs related to changes in timing of grant funding or reimbursements, cash flow needs, insurance, academic program expenditures, deferred facilities maintenance (capped at \$25 million), space consolidation, and rationalization. Of the \$150 million, DPSCD will receive \$25 million to continue operating, and invest in programming and facilities. DPSCD will also collect the full foundation allowance for the students of the School District. The emergency loans bears interest at 1.31 percent per annum, payable to the State. Additionally as part of the restructuring package, control of DPSCD will be returned to a locally elected school board in January 2017. Currently, the Transition Manager, Judge Steven Rhodes, is responsible for overseeing the operations of both DPS and DPSCD. The administration also reports activity associated with DPSCD to the Financial Review Commission, an independent body which provides additional oversight during the term of the financial restructuring.

There has not yet been a final determination of those assets and liabilities that will be allocated to each of the entities (DPS and DPSCD). Future financial reports for DPS and DPSCD will incorporate those final determinations and any operating activity which occurs for fiscal 2017, depending on the determined allocation of activity. The determination will be made through discussion between the School District and the Michigan Department of Treasury and will be concluded prior to June 30, 2017. DPSCD will be responsible for payment of the outstanding workers' compensation obligation, the termination incentive program, and certain other obligations.

Revenue Bonds - On September 29, 2016, the Michigan Finance Authority issued \$149,240,000 Series 2016 D-1 and \$77,140,000 Series 2016 D-2 Revenue Bonds, maturing on March 31, 2023, bearing interest at a rate of 3.77 percent. The proceeds from these bonds were used to refund and defease the outstanding Michigan Finance Authority Revenue Bonds, Series 2011 and Series 2012, which were retained as obligations of DPS. The refunding resulted in a savings of approximately \$3,400,000.

Note 14 - Upcoming Accounting Pronouncements

In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which addresses reporting by governments that provide postemployment benefits other than pensions (OPEB) to their employees and for governments that finance OPEB for employees of other governments. This OPEB standard will require the School District to recognize on the face of the financial statements its proportionate share of the net OPEB liability related to its participation in the MPSERS plan. The statement also enhances accountability and transparency through revised note disclosures and required supplemental information (RSI). The School District is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the School District's financial statements for the year ending June 30, 2018.

Required Supplemental Information

Detroit Public Schools

Required Supplemental Information Budgetary Comparison Schedule - General Fund Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
Revenue				
Local sources	\$ 88,860,288	\$ 74,628,127	\$ 74,489,836	\$ (138,291)
State sources	374,687,957	435,838,187	432,186,034	(3,652,153)
Federal sources	161,816,409	162,493,093	137,795,737	(24,697,356)
Intergovernmental sources	41,286,622	31,777,479	31,090,370	(687,109)
Total revenue	666,651,276	704,736,886	675,561,977	(29,174,909)
Expenditures				
Current:				
Instruction	369,806,595	331,569,819	318,787,616	(12,782,203)
Support services:				
Pupil	67,475,547	53,320,986	53,121,893	(199,093)
Instructional staff	78,767,242	62,324,702	59,512,242	(2,812,460)
General administration	6,014,996	4,849,303	3,989,909	(859,394)
School administration	38,643,121	34,994,099	34,936,528	(57,571)
Business office	14,973,752	16,032,671	34,263,027	18,230,356
Operations and maintenance	76,991,231	86,807,896	91,646,321	4,838,425
Pupil transportation services	33,136,259	33,706,358	32,098,680	(1,607,678)
Central	28,567,954	32,255,332	34,157,082	1,901,750
Other	104,760	293,017	557,034	264,017
Total support services	344,674,862	324,584,364	344,282,716	19,698,352
Athletics	944,195	1,066,775	1,423,839	357,064
Food services	-	-	7,423	7,423
Community services	4,127,371	4,777,574	5,123,901	346,327
Facilities acquisitions and improvement	440,000	-	-	-
Debt service	53,002,094	57,348,386	53,002,094	(4,346,292)
Total expenditures	772,995,117	719,346,918	722,627,589	3,280,671
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	3,046,000	201,000	1,980,874	1,779,874
Transfers in	2,256,058	2,256,058	2,370,967	114,909
Transfers out	-	-	(1,295,580)	(1,295,580)
Prior year adjustments	4,101,692	-	-	-
Total other financing sources	9,403,750	2,457,058	3,056,261	599,203
Net Change in Fund Balance	(96,940,091)	(12,152,974)	(44,009,351)	(31,856,377)
Fund Balance (As Restated) -				
Beginning of year	(207,577,903)	(207,577,903)	(207,577,903)	-
Fund Balance - End of year	<u>\$(304,517,994)</u>	<u>\$(219,730,877)</u>	<u>\$(251,587,254)</u>	<u>\$(31,856,377)</u>

Detroit Public Schools

Required Supplemental Information Schedule of Detroit Public Schools' Proportionate Share of the Net Pension Liability Michigan Public School Employees' Retirement System Determined as of the Plan Year Ended September 30

	<u>2015</u>	<u>2014</u>
School District's proportion of the net pension liability (asset)	3.53370 %	3.96221 %
School District's proportionate share of the net pension liability (asset)	\$ 863,027,538	\$ 872,735,996
School District's covered employee payroll	294,814,730	330,958,130
School District's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	292.74 %	263.70 %
Plan fiduciary net position as a percentage of the total pension liability	62.92 %	66.20 %

Detroit Public Schools

Required Supplemental Information Schedule of Detroit Public Schools' Contributions Michigan Public School Employees' Retirement System Determined as of the Year Ended June 30

	<u>2016</u>	<u>2015</u>
Statutorily required contribution	\$ 81,042,568	\$ 98,482,599
Contributions in relation to the statutorily required contribution	-	98,482,599
Contribution deficiency (excess)	81,042,568	-
School District's covered employee payroll	288,380,872	314,790,059
Contributions as a percentage of covered employee payroll	- %	31.29 %

Detroit Public Schools

Note to Required Supplemental Information Year Ended June 30, 2016

Benefit Changes - There were no changes of benefit terms in 2015.

Changes in Assumptions - There were no changes of benefit assumptions in 2015.

Contributions in Relation to the Statutorily Required Contribution - The School District is delinquent in its required contribution payments and has entered into a long-term payment arrangement with the Office of Retirement Services. Although the School District made payments to the plan throughout the years ended June 30, 2016 and 2015, it is assumed that these were applied toward delinquent contributions related to previous years. Since payments are first applied to amounts in arrears, the contributions made in relation to statutorily required contributions are reported as zero.

Budgetary Information - Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and all special revenue funds, except that operating transfers and debt proceeds have been included in the "revenue" and "expenditures" categories, rather than as "other financing sources (uses)". All annual appropriations lapse at fiscal year end.

The budget document presents information by fund, function, department, and line items. The legal level of budgetary control adopted by the governing body is the department level (i.e., the level at which expenditures may not legally exceed appropriations).

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported as restrictions, commitments, or assignments of fund balances and do not constitute expenditures or liabilities because the goods or services have not been received as of year end; the commitments will be reappropriated and honored during the subsequent year.

Other Supplemental Information

Detroit Public Schools

Other Supplemental Information Combining Balance Sheet Nonmajor Governmental Funds June 30, 2016

	Special Revenue	Debt Service	Capital Projects Fund				Total	Total Nonmajor Governmental Funds
	Fund	Fund		1986 School Building Site Improvement Bonds	1994 School Building Site Improvement Bonds Series V	2009B Building Site Improvement Bonds Fund		
	Food Service Fund	Judgment Levy Fund	Durant Bond					
Assets								
Receivables:								
Other receivables	\$ 970,498	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 970,498
Due from other governmental units	3,652,265	-	-	-	-	-	-	3,652,265
Due from other funds	4,458,222	-	-	-	-	-	-	4,458,222
Restricted assets - Cash and investments	1,832,632	-	-	28	2,210,677	-	2,210,705	4,043,337
Total assets	<u>\$ 10,913,617</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28</u>	<u>\$ 2,210,677</u>	<u>\$ -</u>	<u>\$ 2,210,705</u>	<u>\$ 13,124,322</u>
Liabilities and Fund Balances								
Liabilities								
Accounts payable	\$ 1,713,844	\$ -	\$ -	\$ -	\$ (650)	\$ -	\$ (650)	\$ 1,713,194
Due to other governmental units	83,404	-	-	-	-	3,578	3,578	86,982
Other accrued liabilities	424,946	-	-	-	-	-	-	424,946
Due to other funds	-	-	-	-	21,682	35,807	57,489	57,489
Total liabilities	2,222,194	-	-	-	21,032	39,385	60,417	2,282,611
Fund Balances - Restricted:								
Capital projects	-	-	-	28	2,189,645	(39,385)	2,150,288	2,150,288
Food service	8,691,423	-	-	-	-	-	-	8,691,423
Total fund balances	8,691,423	-	-	28	2,189,645	(39,385)	2,150,288	10,841,711
Total liabilities and fund balances	<u>\$ 10,913,617</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28</u>	<u>\$ 2,210,677</u>	<u>\$ -</u>	<u>\$ 2,210,705</u>	<u>\$ 13,124,322</u>

Detroit Public Schools

Other Supplemental Information Combining Statement of Revenue, Expenditures, and Changes in Fund Balances (Deficit) Nonmajor Governmental Funds Year Ended June 30, 2016

	Special Revenue	Debt Service	Capital Projects Fund				Total	Total Nonmajor Governmental Funds
	Funds	Funds		1986 School Building Site Improvement	1994 School Building Site Improvement Bonds Series V	2009B Building Site Improvement Bonds Fund		
	Food Service Fund	Judgment Levy Fund	Durant Bond	Bonds	Bonds Series V	Bonds Fund	Total	Funds
Revenue								
Local sources	\$ 710,216	\$ 113,597	\$ -	\$ -	\$ 2,706	\$ 37	\$ 2,743	\$ 826,556
State sources	1,640,685	-	-	-	-	-	-	1,640,685
Federal sources	46,377,989	-	-	-	-	-	-	46,377,989
Total revenue	48,728,890	113,597	-	-	2,706	37	2,743	48,845,230
Expenditures								
Current:								
Support services	122,256	83,940	-	-	-	90,264	90,264	296,460
Food services	42,387,453	-	-	-	-	-	-	42,387,453
Capital outlay	1,302,848	-	-	-	874,410	274,118	1,148,528	2,451,376
Total expenditures	43,812,557	83,940	-	-	874,410	364,382	1,238,792	45,135,289
Excess of Revenue Over (Under) Expenditures	4,916,333	29,657	-	-	(871,704)	(364,345)	(1,236,049)	3,709,941
Other Financing Sources (Uses)								
Transfers in	-	1,249,710	45,870	-	-	-	45,870	1,295,580
Transfers out	(2,370,967)	-	-	-	-	-	-	(2,370,967)
Total other financing (uses) sources	(2,370,967)	1,249,710	45,870	-	-	-	45,870	(1,075,387)
Net Change in Fund Balances	2,545,366	1,279,367	45,870	-	(871,704)	(364,345)	(1,190,179)	2,634,554
Fund Balances (Deficit) - Beginning of year	6,146,057	(1,279,367)	(45,870)	28	3,061,349	324,960	3,340,467	8,207,157
Fund Balances (Deficit) - End of year	\$ 8,691,423	\$ -	\$ -	\$ 28	\$ 2,189,645	\$ (39,385)	\$ 2,150,288	\$ 10,841,711

Detroit Public Schools

Other Supplemental Information Statement of Changes in Agency Fund Assets and Liabilities Year Ended June 30, 2016

	Balance July 1, 2015	Additions	Deductions	Balance June 30, 2016
Assets				
Cash and investments	\$ 1,356,801	\$ 3,400,695	\$ 3,324,522	\$ 1,432,974
Receivables	40	-	-	40
Total assets	<u>\$ 1,356,841</u>	<u>\$ 3,400,695</u>	<u>\$ 3,324,522</u>	<u>\$ 1,433,014</u>
Liabilities				
Due to other funds	\$ -	\$ 6,987	\$ -	\$ 6,987
Due to student groups	1,356,841	3,393,708	3,324,522	1,426,027
Total liabilities	<u>\$ 1,356,841</u>	<u>\$ 3,400,695</u>	<u>\$ 3,324,522</u>	<u>\$ 1,433,014</u>

Detroit Public Schools

Other Supplemental Information Budgetary Comparison Schedule - Food Service Fund Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Final Budget</u>
Revenue				
Local sources	\$ -	\$ -	\$ 710,216	\$ 710,216
State sources	2,800,000	2,800,000	1,640,685	(1,159,315)
Federal sources	39,921,995	46,070,897	46,377,989	307,092
Total revenue	42,721,995	48,870,897	48,728,890	(142,007)
Expenditures				
Current:				
Food service:				
Personnel	15,668,480	15,657,239	14,339,168	(1,318,071)
Purchased services	1,892,809	2,340,080	2,122,592	(217,488)
Supplies	22,772,286	27,398,869	26,047,949	(1,350,920)
Capital outlay	132,362	1,218,651	1,302,848	84,197
Total food service	40,465,937	46,614,839	43,812,557	(2,802,282)
Transfers out	(2,256,058)	(2,256,058)	(2,370,967)	(114,909)
Net Change in Fund Balance	-	-	2,545,366	2,545,366
Fund Balance - Beginning of year	6,146,057	6,146,057	6,146,057	-
Fund Balance - End of year	\$ 6,146,057	\$ 6,146,057	\$ 8,691,423	\$ 2,545,366

Detroit Public Schools

June 30	Series 1998C	Series 2001A	Series 2002A	Series 2005A	Series 2009A
	Principal	Principal	Principal	Principal	Principal
2017	\$ 4,000,000	\$ -	\$ -	\$ -	\$ 6,325,000
2018	4,210,000	-	-	-	7,055,000
2019	4,430,000	-	11,240,000	-	7,700,000
2020	4,660,000	-	11,915,000	-	7,700,000
2021	4,905,000	-	12,630,000	-	7,700,000
2022	5,165,000	14,320,000	-	-	7,700,000
2023	5,440,000	15,180,000	-	-	7,700,000
2024	5,720,000	16,095,000	-	-	7,700,000
2025	6,025,000	17,055,000	-	-	9,745,000
2026	-	24,420,000	-	16,145,000	-
2027	-	25,885,000	-	16,990,000	-
2028	-	27,430,000	-	17,890,000	-
2029	-	43,310,000	-	18,825,000	-
2030	-	-	-	65,715,000	-
2031	-	-	-	69,165,000	-
2032	-	-	-	22,070,000	-
2033	-	-	-	-	-
2034	-	-	-	-	-
2035	-	-	-	-	-
2036	-	-	-	-	-
2037	-	-	-	-	-
2038	-	-	-	-	-
2039	-	-	-	-	-
2040	-	-	-	-	-
Total	\$ 44,555,000	\$ 183,695,000	\$ 35,785,000	\$ 226,800,000	\$ 69,325,000
Principal payments due	May	May	May	May	May
Interest payments due	May and November	May and November	May and November	May and November	May and November
Interest rate	5.25%	6.00%	6.00%	5.25%	3.19%
Original issue	\$ 84,855,000	\$ 438,365,000	\$ 388,995,000	\$ 500,000,000	\$ 90,000,000

**Other Supplemental Information
Schedule of Bonded Indebtedness
Year Ended June 30, 2016**

Series 2009B	Series 2010A	Series 2010B	Series 2012A	Series 2015A	Total
Principal	Principal	Principal	Principal	Principal	
\$ 1,600,000	\$ 6,910,000	\$ -	\$ 8,595,000	\$ 29,105,000	\$ 56,535,000
1,700,000	7,895,000	-	8,725,000	29,410,000	58,995,000
1,800,000	7,620,000	-	9,100,000	19,635,000	61,525,000
1,900,000	7,985,000	-	9,500,000	20,625,000	64,285,000
2,300,000	8,095,000	-	9,910,000	21,655,000	67,195,000
2,400,000	8,525,000	-	20,505,000	11,520,000	70,135,000
2,500,000	8,960,000	-	21,465,000	12,105,000	73,350,000
2,600,000	9,415,000	-	22,480,000	12,645,000	76,655,000
2,700,000	9,885,000	-	23,655,000	13,275,000	82,340,000
3,150,000	16,850,000	-	24,905,000	-	85,470,000
6,275,000	14,265,000	-	26,145,000	-	89,560,000
6,525,000	14,650,000	-	27,450,000	-	93,945,000
6,625,000	15,280,000	-	14,520,000	-	98,560,000
6,925,000	-	4,510,000	16,095,000	-	93,245,000
6,925,000	-	4,510,000	16,900,000	-	97,500,000
8,925,000	-	4,510,000	17,745,000	-	53,250,000
9,550,000	-	4,510,000	18,635,000	-	32,695,000
18,625,000	-	4,510,000	-	-	23,135,000
18,625,000	-	4,510,000	-	-	23,135,000
18,625,000	-	4,510,000	-	-	23,135,000
18,625,000	-	4,515,000	-	-	23,140,000
18,625,000	-	4,515,000	-	-	23,140,000
18,625,000	-	4,515,000	-	-	23,140,000
-	-	4,515,000	-	-	4,515,000
\$ 186,150,000	\$ 136,335,000	\$ 49,630,000	\$ 296,330,000	\$ 169,975,000	\$ 1,398,580,000
May	May	May	May	May	
May and November	May and November	May and November	May and November	May and November	
6.05% - 7.75%	6.645%	6.845%	5.00%	5.00%	
\$ 200,000,000	\$ 160,910,000	\$ 49,630,000	\$ 337,735,000	\$ 192,580,000	\$ 2,443,070,000

**Statistical and Other Information
(Unaudited)**

Statistical and Other Information (Unaudited)

This part of Detroit Public Schools' Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplemental information says about the government's overall financial health.

Contents

Financial Trends	122-128
<i>These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.</i>	
Revenue Capacity	129-133
<i>These schedules contain information to help the reader assess the School District's most significant local revenue source, the property tax.</i>	
Debt Capacity	134-140
<i>These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	141-142
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the School District's financial activities take place.</i>	
Operating Information	143-168
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.</i>	

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year

Detroit Public Schools

Net Position by Component (Unaudited) Last Ten Fiscal Years

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental Activities										
Net investment in capital assets	\$ 144,094,948	\$ 124,719,105	\$ 38,305,516	\$ (12,287,463)	\$ (44,848,714)	\$ (84,403,887)	\$ (104,187,628)	\$ (101,890,474)	\$ (126,652,164)	\$ (344,090,444)
Restricted	66,910,536	1,958,584	12,650,359	22,459,798	12,513,705	25,328,112	10,697,352	26,280,121	23,546,812	4,931,706
Unrestricted	<u>(406,294,081)</u>	<u>(496,160,580)</u>	<u>(537,004,403)</u>	<u>(606,040,072)</u>	<u>(579,276,828)</u>	<u>(559,178,274)</u>	<u>(593,046,567)</u>	<u>(688,043,539)</u>	<u>(1,561,629,768)</u>	<u>(1,388,639,612)</u>
Total net position	<u>\$ (195,288,597)</u>	<u>\$ (369,482,891)</u>	<u>\$ (486,048,528)</u>	<u>\$ (595,867,737)</u>	<u>\$ (611,611,837)</u>	<u>\$ (618,254,049)</u>	<u>\$ (686,536,843)</u>	<u>\$ (763,653,892)</u>	<u>\$ (1,664,735,120)</u>	<u>\$ (1,727,798,350)</u>

Note: Investment in capital assets, net of related debt, was renamed net investment in capital assets and net assets were renamed net position in accordance with GASB Statement 63 in 2013. Ending balance in 2012 is modified due to the restatement of net position, in accordance with GASB Statement 65 in 2013.

Beginning in fiscal year 2015, GASB Statement No. 68 was implemented which resulted in recording a net position liability; however, prior years were not restated.

Source: District financial data

Detroit Public Schools

	2007	2008	2009	2010	2011
Expenses					
Governmental activities:					
Instruction	\$ 793,522,108	\$ 772,341,873	\$ 752,747,589	\$ 659,447,235	\$ 611,628,161
Support services	623,849,751	592,082,327	505,070,567	465,526,570	462,355,647
Community services	8,389,521	6,237,298	6,143,462	6,228,773	7,043,199
Food services	40,901,528	40,053,509	38,963,042	37,229,504	32,980,463
Athletics	5,123,975	5,245,057	4,422,031	4,554,281	2,269,079
Other	372,406	4,154,908	-	-	-
Interest on long-term debt	80,823,093	82,989,739	84,951,020	118,103,645	128,123,673
Asset impairment (unallocated)	-	1,530,156	10,331,441	7,521,571	3,687,466
Depreciation (unallocated)	25,223,665	21,909,926	21,836,314	20,877,173	19,786,260
Total governmental activities	1,578,206,047	1,526,544,793	1,424,465,466	1,319,488,752	1,267,873,948
Revenue					
Governmental activities:					
Charges for services:					
Instruction	1,079,099	1,020,089	903,105	83,493	48,415
Support services	533,441	8,626,987	21,545,210	533,643	432,622
Community services	905,686	1,219,867	1,125,950	1,366,268	919,117
Food services	6,510,291	6,208,012	3,174,649	3,402,434	2,508,188
Athletics	-	-	-	-	-
Other	157,137	471,226	-	-	-
Total charges for services	9,185,654	17,546,181	26,748,914	5,385,838	3,908,342
Operating grants and contributions:					
Instruction	338,648,478	263,353,436	339,060,897	351,412,988	409,360,403
Support services	197,111,202	145,807,342	123,683,553	144,694,269	175,937,815
Community services	17,984,302	6,002,362	6,101,932	5,108,590	5,585,678
Food services	38,202,644	33,994,157	34,437,913	38,203,272	34,885,836
Interest on long-term debt	-	5,735,799	5,547,552	5,608,447	17,350,377
Total operating grants and contributions	591,946,626	454,893,096	508,831,847	545,027,566	643,120,109
Net expenses	(977,073,767)	(1,054,105,516)	(888,884,705)	(769,075,348)	(620,845,497)
General Revenue					
Property taxes, levied for general purpose	82,980,245	100,631,922	106,047,874	79,914,407	56,410,405
Property taxes, levied for debt services	113,279,928	117,449,527	122,835,111	95,894,938	73,096,327
Federal and state aid not restricted to specific purposes	728,459,038	628,649,789	529,681,734	473,108,302	442,955,285
Interest and investment earnings	11,821,254	6,337,079	1,663,493	1,660,631	1,458,533
Other sources	11,893,301	25,915,070	12,090,856	8,677,861	31,180,847
Gain (loss) on sale of capital assets	-	927,835	-	-	-
Total general revenue	948,433,766	879,911,222	772,319,068	659,256,139	605,101,397
Change in Net Position	\$ (28,640,001)	\$ (174,194,294)	\$ (116,565,637)	\$ (109,819,209)	\$ (15,744,100)

Source: District financial data

Changes in Governmental Net Position (Unaudited) Last Ten Fiscal Years

	2012	2013	2014	2015	2016
\$	526,348,957	\$ 401,258,566	\$ 381,901,033	\$ 374,874,427	\$ 343,401,546
	345,153,784	314,621,635	318,332,081	313,548,618	374,011,546
	4,604,817	5,981,778	4,179,408	3,258,057	5,190,890
	34,086,192	43,959,918	44,916,670	42,542,212	44,457,080
	7,805,374	3,002,862	2,434,401	3,345,514	2,972,154
	-	-	-	-	-
	122,975,912	111,697,124	113,673,948	106,764,573	101,573,985
	10,764,807	9,360,414	-	-	-
	<u>20,018,147</u>	<u>21,541,615</u>	<u>22,536,086</u>	<u>18,679,335</u>	<u>19,415,096</u>
	1,071,757,990	911,423,912	887,973,627	863,012,736	891,022,297
	78,891	100,052	89,143	69,891	140,220
	1,388,739	1,593,766	1,315,269	2,025,918	-
	1,647,820	-	-	-	2,692,345
	1,572,962	1,200,848	1,141,865	846,314	593,796
	-	-	260,427	-	-
	-	-	-	-	-
	<u>4,688,412</u>	<u>2,894,666</u>	<u>2,806,704</u>	<u>2,942,123</u>	<u>3,426,361</u>
	267,391,564	208,216,572	196,846,203	203,373,959	150,919,189
	120,549,577	99,798,117	88,748,955	115,203,801	164,619,457
	4,663,877	6,244,224	3,537,521	3,001,771	-
	39,912,409	40,760,694	42,049,657	44,757,764	46,377,989
	<u>20,137,748</u>	<u>20,127,707</u>	<u>18,972,312</u>	<u>18,259,816</u>	<u>13,396,896</u>
	452,655,175	375,147,314	350,154,648	384,597,111	375,313,531
	(614,414,403)	(533,381,932)	(535,012,275)	(475,473,502)	(512,282,405)
	65,704,812	63,043,585	72,788,602	65,981,648	63,077,446
	110,728,384	89,646,763	104,918,332	90,468,836	87,088,926
	400,803,077	299,188,576	259,541,573	265,091,387	298,910,588
	407,035	108,119	50,582	36,302	110,330
	30,138,883	25,114,404	20,596,137	11,159,377	10,957,195
	-	-	-	-	(764,682)
	<u>607,782,191</u>	<u>477,101,447</u>	<u>457,895,226</u>	<u>432,737,550</u>	<u>459,379,803</u>
\$	<u>(6,632,212)</u>	<u>(56,280,485)</u>	<u>(77,117,049)</u>	<u>(42,735,952)</u>	<u>(52,902,602)</u>

Detroit Public Schools

Fund Balances, Governmental Funds (Unaudited) Last Ten Fiscal Years

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund:										
Reserved	\$ 1,572,839	\$ 2,589,003	\$ 3,198,678	\$ 1,595,185	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved (deficit)	(5,350,257)	(142,313,755)	(222,168,097)	(328,894,450)	-	-	-	-	-	-
Nonspendable	-	-	-	-	509,585	72,589	1,725,059	1,884,258	2,252,428	-
Restricted	-	-	-	-	-	7,089,577	198,967	925,808	925,808	-
Unassigned (deficit)	-	-	-	-	(284,438,900)	(83,465,550)	(95,805,950)	(172,270,373)	(219,110,153)	(251,587,254)
Total General Fund	(3,777,418)	(139,724,752)	(218,969,419)	(327,299,265)	(283,929,315)	(76,303,384)	(93,881,924)	(169,460,307)	(215,931,917)	(251,587,254)
Other governmental funds:										
Reserved	86,603,515	6,176	35,261	5,925	-	-	-	-	-	-
Unreserved (deficit), reported in:										
Special revenue funds	1,088,220	1,952,408	2,243,944	6,733,742	-	-	-	-	-	-
Debt service funds	-	9,857,109	20,729,314	12,740,999	-	-	-	-	-	-
Capital project funds	-	59,075,288	47,370,858	292,671,361	-	-	-	-	-	-
Nonspendable	-	-	-	-	6,900	27,063	25	30	23,036	-
Restricted	-	-	-	-	271,404,958	93,379,815	34,738,751	48,036,948	41,304,332	29,406,325
Unassigned (deficit)	-	-	-	-	-	-	(355,708)	(541,457)	(1,325,237)	-
Total other governmental funds	87,691,735	70,890,981	70,379,377	312,152,027	271,411,858	93,406,878	34,383,068	47,495,521	40,002,131	29,406,325
Total fund balance (deficit)	\$ 83,914,317	\$ (68,833,771)	\$ (148,590,042)	\$ (15,147,238)	\$ (12,517,457)	\$ 17,103,494	\$ (59,498,856)	\$ (121,964,786)	\$ (175,929,786)	\$ (222,180,929)

Note: In 2011, the classification of fund balances changed due to the implementation of GASB Statement No. 54.

Source: District financial data

Detroit Public Schools

	2007	2008	2009	2010
Revenue				
Local revenue	\$ 318,376,379	\$ 334,004,589	\$ 311,066,987	\$ 273,113,320
State revenue	918,069,421	814,535,184	731,678,516	615,238,695
Federal revenue	311,237,975	196,922,940	254,964,616	322,373,492
Total revenue	1,547,683,775	1,345,462,713	1,297,710,119	1,210,725,507
Other Financing Sources				
Issuance of long-term debt	-	-	-	290,000,000
Issuance of long-term debt - School Bond Loan Fund	-	-	-	-
Premiums on issuance of long-term debt	-	-	-	-
Transfers in	21,300,056	4,108,115	13,228,192	13,376,219
Proceeds from sale of capital assets	-	927,835	2,075,901	6,211,988
Insurance recoveries	-	-	1,000,000	-
Total revenue and other financing sources	1,568,983,831	1,350,498,663	1,314,014,212	1,520,313,714
Expenditures				
Instruction	774,288,861	724,697,732	691,555,408	653,879,283
Support services	597,198,103	558,235,588	483,804,795	470,532,656
Community services	8,388,184	6,189,193	6,145,431	6,298,430
Food services	40,632,285	37,703,275	35,360,977	35,991,283
Athletics	3,888,729	2,927,216	2,876,323	3,014,348
Other expenditures	525,510	443,815	311,525	22,265
Principal retirement	58,059,847	69,499,581	54,852,267	47,426,720
Payment of interest	78,146,946	81,870,707	85,756,621	110,055,735
Issuance costs	-	-	-	3,275,853
Capital outlay	33,529,178	17,571,529	19,878,944	42,998,118
Total expenditures	1,594,657,643	1,499,138,636	1,380,542,291	1,373,494,691
Other Financing Uses				
Payment to bond escrow agent	-	-	-	-
Transfers out	21,300,056	4,108,115	13,228,192	13,376,219
Total expenditures and other financing uses	1,615,957,699	1,503,246,751	1,393,770,483	1,386,870,910
Net Change in Fund Balances	<u>\$ (46,973,868)</u>	<u>\$ (152,748,088)</u>	<u>\$ (79,756,271)</u>	<u>\$ 133,442,804</u>

Source: District financial data

**Changes in Fund Balances Governmental Funds (Unaudited)
Last Ten Fiscal Years**

2011	2012	2013	2014	2015	2016
\$ 233,875,430	\$ 261,281,507	\$ 207,434,598	\$ 234,411,297	\$ 196,709,657	\$ 193,406,637
561,170,297	500,073,239	413,569,799	387,693,581	420,595,528	433,826,719
<u>460,768,789</u>	<u>300,520,978</u>	<u>233,659,752</u>	<u>216,307,442</u>	<u>225,656,250</u>	<u>197,570,622</u>
1,255,814,516	1,061,875,724	854,664,149	838,412,320	842,961,435	824,803,978
210,540,000	723,740,407	-	-	192,580,000	
48,794,483	26,117,459	33,504,736	44,862,031	28,384,590	43,190,775
-	33,276,484	-	-	23,843,976	
4,276,196	2,288,493	2,404,243	2,579,120	1,762,100	6,248,697
4,140,337	2,311,803	2,248,058	1,483,001	5,401,970	1,980,874
-	-	-	-	-	-
1,523,565,532	1,849,610,370	892,821,186	887,336,472	1,094,934,071	876,224,324
570,944,813	512,527,707	360,997,638	346,100,939	335,669,369	318,255,222
456,746,498	360,893,321	303,272,788	312,753,894	316,574,183	343,835,505
7,001,886	4,590,852	5,908,567	4,198,638	3,301,079	5,123,901
31,454,505	32,398,541	40,945,682	41,383,657	42,667,931	42,394,876
784,915	1,843,774	1,086,674	1,626,152	1,590,407	1,423,839
604,367	3,241,427	710,864	1,397,801	2,770,079	-
64,031,522	73,784,713	84,090,768	105,202,003	111,380,541	95,015,928
131,982,898	116,464,187	112,938,096	124,730,109	113,081,944	96,282,982
2,140,005	2,451,036	-	-	1,243,540	-
250,968,146	199,849,920	57,068,216	9,830,089	3,677,462	3,733,889
1,516,659,555	1,308,045,478	967,019,293	947,223,282	931,956,535	906,066,142
-	509,655,448	-	-	215,180,436	-
4,276,196	2,288,493	2,404,243	2,579,120	1,762,100	6,248,697
<u>1,520,935,751</u>	<u>1,819,989,419</u>	<u>969,423,536</u>	<u>949,802,402</u>	<u>1,148,899,071</u>	<u>912,314,839</u>
<u>\$ 2,629,781</u>	<u>\$ 29,620,951</u>	<u>\$ (76,602,350)</u>	<u>\$ (62,465,930)</u>	<u>\$ (53,965,000)</u>	<u>\$ (36,090,515)</u>

Detroit Public Schools

Comparison of Unreserved/Unassigned General Fund Balance (Deficit) to Expenditures and Other Uses (Unaudited) Last Ten Fiscal Years

Fiscal Year	Undesignated/ Unassigned Fund Balance (Deficit)	Expenditures and Transfers Out	General Fund Balance (Deficit) as a Percentage of Expenditures and Other Uses
2007	\$ (5,350,257)	\$ 1,408,896,310	(0.38%)
2008	(142,313,755)	1,318,000,355	(10.80%)
2009	(222,168,097)	1,217,397,731	(18.25%)
2010	(328,894,450)	1,188,798,098	(27.67%)
2011	(284,438,900)	1,088,467,571	(26.13%)
2012	(83,465,550)	934,317,506	(8.93%)
2013	(95,805,950)	725,557,870	(13.20%)
2014	(172,270,373)	721,349,005	(23.88%)
2015	(219,110,153)	714,030,093	(30.69%)
2016	(251,587,254)	723,923,169	(34.75%)

Note: In 2011, the District implemented GASB Statement No. 54.

Source: District financial data

Detroit Public Schools

Assessed Value and Estimated Actual Value of Taxable Property (Unaudited) Last Ten Fiscal Years

Fiscal Year	Assessed Value				Taxable Value			Total Direct Tax Rate	Taxable Assessed Value as a Percentage of Actual Taxable Value
	Commercial and Industrial	Residential	Personal	Total	Commercial and Industrial	Residential	Total		
2007	\$ 3,177,015,982	\$ 8,622,589,002	\$ 1,654,017,924	\$ 13,453,622,908	\$ 2,403,532,121	\$ 5,240,724,042	\$ 7,644,256,163	31.000	56.82%
2008	3,403,595,304	9,063,123,282	1,646,721,974	14,113,440,560	2,637,024,764	5,615,394,554	8,252,419,318	31.000	58.47%
2009	3,516,906,221	8,815,608,633	1,612,957,472	13,945,472,326	2,761,560,896	5,660,265,286	8,421,826,182	30.831	60.39%
2010	3,433,282,486	7,427,226,864	1,637,133,708	12,497,643,058	2,797,752,487	5,291,054,707	8,088,807,194	30.831	64.72%
2011	3,272,941,262	6,331,071,460	1,516,381,857	11,120,394,579	2,698,852,119	4,896,647,203	7,595,499,322	30.933	68.30%
2012	3,278,070,594	5,475,901,289	1,369,132,417	10,123,104,300	2,794,557,203	4,591,718,704	7,386,275,907	30.831	72.96%
2013	2,994,270,539	4,850,303,038	1,592,878,021	9,437,451,598	2,588,946,917	4,265,567,182	6,854,514,099	30.928	72.63%
2014	2,826,135,748	4,292,795,455	1,862,606,852	8,981,538,055	2,490,320,049	3,948,185,909	6,438,505,958	31.142	71.69%
2015	2,736,014,806	3,335,506,139	1,740,559,868	7,812,080,813	2,434,041,947	3,138,728,012	5,572,769,959	31.341	71.34%
2016	2,810,393,286	3,030,574,465	1,752,545,052	7,593,512,803	2,450,608,372	2,883,148,200	5,333,756,572	31.016	70.24%

Note: Property in Wayne County is reassessed every year. The county reassesses property at 50% of actual value for commercial, industrial, and residential. Estimated actual value is calculated by sales and 50% of the market value.

Source: Wayne County Equalization Report and Wayne County Assessor's Office.

Detroit Public Schools

Assessed Valuation Data (Unaudited) For the Year Ended June 30, 2016

Type of Property	Assessed Value at December, 31 2014*	Percent of Total Real Property	Percent of Total Roll
Commercial property	\$ 2,306,431,357	39.49%	30.37%
Industrial property	503,961,929	8.63%	6.64%
Residential property	3,030,574,465	51.88%	39.91%
Total real property	5,840,967,751	100.00%	76.92%
Personal property	1,752,545,052		23.08%
Total property	\$ 7,593,512,803		100.00%

* The December 31, 2014 valuations, used for the 2015 tax year levy, are the basis of the School District's fiscal year revenue.

Source: Wayne County Equalization Report (2015)

Detroit Public Schools

Direct and Overlapping Property Tax Rates (Unaudited) (Rates per \$1,000 of assessed value) Last Ten Fiscal Years

Fiscal Year	School Operating	School Debt	Judgement Levy	Total	State Education		City of Detroit	Wayne County*	Wayne	Wayne	Wayne County
					Tax	Library			Regional Education Service Agency	Wayne County Community College	
2007	18.000	13.000	-	31.000	6.000	4.631	31.340	8.057	3.464	2.477	13.998
2008	18.000	13.000	-	31.000	6.000	4.631	28.020	8.057	3.464	2.477	13.998
2009	17.831	13.000	-	30.831	6.000	4.631	27.429	8.137	3.464	2.477	14.078
2010	17.831	13.000	-	30.831	6.000	4.631	28.867	5.648	3.464	2.477	11.589
2011	17.831	13.000	0.102	30.933	6.000	4.631	28.867	5.648	3.464	2.477	11.589
2012	17.831	13.000	0.300	31.131	6.000	4.631	29.508	5.648	3.464	2.241	11.353
2013	17.831	13.000	0.097	30.928	6.000	4.631	29.566	5.648	3.464	2.241	11.353
2014	18.000	13.000	0.142	31.142	6.000	4.631	28.947	5.648	3.464	3.241	12.353
2015	18.000	13.000	0.341	31.341	6.000	4.631	29.777	5.648	3.464	3.241	12.353
2016	18.000	13.000	0.016	31.016	6.000	4.631	19.952	5.648	3.464	3.241	12.353

* Wayne County includes only summer tax rate for 2016, the winter tax rate has not yet been certified.

Source: City of Detroit Finance Department and Michigan Department of Education

Detroit Public Schools

Principal Property Taxpayers

Include the Ten Largest Taxpayers; for the Current Year and Ten Years Prior (Unaudited)

Fiscal Year 2015/2016			Fiscal Year 2006/2007		
Taxpayer	2015 Taxable Value	Percentage of Total	Taxpayer	2006 Taxable Value	Percentage of Total
1 DTE Energy Co	\$ 522,985,756	7.38%	DaimlerChrysler Corporation	\$ 709,125,935	7.63%
2 Marathon Petroleum Co	317,525,852	4.48%	Detroit Edison	332,955,532	3.58%
3 Vanguard Health Systems - Hospitals	277,271,604	3.91%	General Motors	188,179,410	2.02%
4 MGM Grand Detroit LLC	207,731,800	2.93%	Marathon Oil/Ashland Petroleum LLC	147,480,746	1.59%
5 Riverfront Holdings INC	109,594,850	1.55%	Riverfront Holdings	135,343,913	1.46%
6 FCA US LLC	79,609,418	1.12%	American Axle & Manufacturing	105,233,313	1.13%
7 Detroit Entertainment LLC	61,670,438	0.87%	Michigan Consolidated Gas Co	84,346,860	0.91%
8 1000 Webward LLC	59,282,000	0.84%	MGM Grand Detroit LLC	61,013,235	0.66%
9 International Transmission Co	53,090,906	0.75%	One Detroit Center	46,654,067	0.50%
10 Greektown Casino LLC	51,813,707	0.73%	Greektown Casino	42,982,961	0.46%
Total	\$ 1,740,576,331	24.56%	Total	\$ 1,853,315,972	19.93%
Total taxable value	\$ 7,086,477,074		Total taxable value	\$ 9,298,274,087	

Source: City of Detroit Finance Department
Wayne County Equalization Report

Detroit Public Schools

Property Tax Levies and Collections (Unaudited) Last Ten Fiscal Years

Fiscal Year	Taxes Levied Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2007	\$ 228,833,869	\$ 204,384,211	89.32%	\$ 765,619	\$ 205,149,830	89.65%
2008	246,225,824	230,270,039	93.52%	(42,100)	230,227,939	93.50%
2009	269,556,295	234,030,965	86.82%	(82,838)	233,948,127	86.79%
2010	227,718,945	193,126,724	84.81%	(154,391)	192,972,333	84.74%
2011	188,429,294	143,149,083	75.97%	(508,974)	142,640,109	75.70%
2012	209,559,164	142,043,643	67.78%	-	142,043,643	67.78%
2013	195,877,828	128,077,732	65.39%	-	128,077,732	65.39%
2014	191,242,663	124,056,078	64.87%	-	124,056,078	64.87%
2015	174,225,424	122,452,804	70.28%	-	122,452,804	70.28%
2016	166,260,445	118,575,299	71.32%	-	118,575,299	71.32%

Source: District financial data

Detroit Public Schools

Outstanding Debt by Type (Unaudited) Last Ten Fiscal Years

Fiscal Year	Governmental Activities							Total Primary Government	Percentage of Personal		
	School Building		School Bond		Energy		Income		Population	Per Capita	
	Ended	and Site	Revenue Bonds	Revenue Notes	Loan/Revolving Fund	Conservation Bonds					Capital Leases
2007	\$ 1,346,402,296	\$ 200,400,880	\$ -	\$ 33,709,997	\$ 350,000	\$ 1,612,551	\$ 1,582,475,724	n/a*	834,116	\$ 1,897	
2008	1,309,906,692	191,025,666	-	13,769,339	-	722,024	1,515,423,721	n/a*	916,952	1,653	
2009	1,271,181,088	180,464,033	-	10,130,729	-	-	1,461,775,850	n/a*	912,062	1,603	
2010	1,546,284,681	168,565,000	-	7,048,042	-	-	1,721,897,723	n/a*	910,921	1,890	
2011	1,713,324,681	155,165,000	231,000,000	48,711,003	-	-	2,148,200,684	n/a*	713,777	3,010	
2012	1,656,414,681	-	372,945,694	76,444,630	-	-	2,105,805,005	n/a*	706,585	2,980	
2013	1,682,260,941	-	336,624,926	108,054,546	-	-	2,126,940,413	n/a*	701,475	3,032	
2014	1,608,777,926	-	298,857,734	161,720,750	-	-	2,069,356,410	n/a*	688,701	3,005	
2015	1,526,204,609	-	259,257,063	195,871,743	-	-	1,981,333,415	n/a*	680,250	2,913	
2016	1,463,449,351	-	217,736,135	246,017,604	-	-	1,927,203,090	n/a*	677,116	2,846	

Sources: District financial data, Bureau of the Census

n/a* - Per capital personal income information not available

Detroit Public Schools

Direct and Overlapping Governmental Activities Debt (Unaudited) June 30, 2016

Governmental Unit	Debt Outstanding	Estimated Percent Applicable	Estimated Share of Overlapping Debt
City of Detroit	\$ 2,537,762,244	100.00%	\$ 2,537,762,244
County of Wayne	291,860,814	15.03%	<u>43,866,680</u>
Subtotal, overlapping debt			2,581,628,924
Direct district debt			<u>1,862,333,739</u>
Total direct and overlapping debt			<u>\$ 4,443,962,663</u>

Source: Municipal Advisory Council of Michigan, School District financial statements

Note: To determine the percentage of overlap, the Municipal Advisory Council of Michigan considers the overlapping debt burden, apportioned by taxable valuation. Taxable valuations are based on the latest State Green Book Values. Direct and indirect debts are included

Detroit Public Schools

Schedule of Legal Debt Margin (Unaudited) June 30, 2016

Summary of Bonded Indebtedness

2015 Actual Valuation (True Cash Value)	\$	15,314,654,927
2015 SEV	\$	7,593,512,803
2015 Taxable Value	\$	5,333,756,572
Direct Bonded Indebtedness	\$	1,927,203,090
Percentage of Direct Bonded Indebtedness to Actual Valuation		12.58%
Percentage of Direct Bonded Indebtedness to Taxable Valuation		36.13%
Population Census (Calendar 2016)		677,116
Per Capita Direct Bonded Indebtedness	\$	2,846
Overlapping Indebtedness	\$	2,581,628,924
Combined Direct and Overlapping Indebtedness	\$	4,508,832,014
Percentage of Direct and Overlapping Bonded Indebtedness to Actual Valuation		29.44%
Percentage of Direct and Overlapping Bonded Indebtedness to Taxable Value		84.53%
Per Capita Direct and Overlapping Bonded Indebtedness	\$	6,659
Bonded Debt Limit - 15% of Taxable Value	\$	800,063,486
Net Debt Applicable to Limit	\$	-

Bonded Debt Limit

The bonded debt limit calculated above does not include deficit bonds, school bus purchase notes, and bonds qualified for participation in the Michigan School Bond Loan Fund, a program established pursuant to the provisions of Section 16 ("Qualified Bonds").

Note: All of the School District's outstanding debt qualifies for the State of Michigan's School Bond Loan Fund Program; all such debt is exempt from the requirements of the Legal Debt Limitation per Section 13151(3) per Act 451 of Michigan Law.

Source: Michigan Finance Authority - Revenue Bonds (School District of the City of Detroit), Series 2013

Detroit Public Schools

Legal Debt Margin (Unaudited) Last Ten Fiscal Years

	Fiscal Year Ended									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Debt limit	\$ 1,394,741,113	\$ 1,309,906,692	\$ 1,271,181,088	\$ 1,529,940,484	\$ 1,853,349,880	\$ 1,642,467,979	\$ 1,415,617,740	\$ 965,775,894	\$ 835,915,494	\$ 1,139,026,920
Total net debt applicable to limit	<u>350,000</u>	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$1,394,391,113</u>	<u>\$1,309,906,692</u>	<u>\$1,271,181,088</u>	<u>\$1,529,940,484</u>	<u>\$1,853,349,880</u>	<u>\$1,642,467,979</u>	<u>\$1,415,617,740</u>	<u>\$ 965,775,894</u>	<u>\$ 835,915,494</u>	<u>\$1,139,026,920</u>
Total net debt applicable to the limit as a percentage of debt limit	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Bond offering circulars for the School District of the City of Detroit

Note: All of the School District's outstanding debt qualifies for the State of Michigan's School Board Loan Fund Program; all such debt is exempt from the requirements of the Legal Debt Limitation per Section 1351(3) per Act 451 of Michigan Law.

Detroit Public Schools

Pledge-revenue Coverage (Unaudited) Last Ten Fiscal Years

Fiscal Year	Revenue	Debt Service		Total	Coverage
		Principal	Interest		
2007	\$ 110,290,382	\$ 45,938,836	\$ 71,115,728	\$ 117,054,564	0.94
2008	118,683,555	56,048,563	72,045,478	128,094,041	0.93
2009	125,902,480	50,491,633	82,320,167	132,811,800	0.95
2010	97,241,426	35,527,687	69,679,912	105,207,599	0.92
2011	90,796,050	50,631,522	98,997,520	149,629,042	0.61
2012	124,927,722	46,655,000	90,791,664	137,446,664	0.91
2013	108,969,511	47,770,000	96,256,389	144,026,389	0.76
2014	150,255,742	67,434,811	106,023,900	173,458,711	0.87
2015	134,990,288	71,779,870	95,787,560	167,567,430	0.81
2016	100,396,771	53,495,000	84,801,816	138,296,816	0.73

Note: The revenue pledged for the annual debt interest payments consists of property taxes received from the City of Detroit.

Source: District financial data

Detroit Public Schools

Comparison of Bonded Debt to State Equalized Valuation and Population (Unaudited) Last Ten Fiscal Years

Fiscal Year	Bonded Debt	Restricted For Debt		Tax Year	State Equalized Valuation	Percent of Bonded		Per Capita
		Service	Net Bonded Debt			Debt To State	Population	
2007	\$ 1,366,359,681	\$ 19,232,256	\$ 1,347,127,425	2006	\$ 13,455,174,731	10.15%	834,116	\$ 1,638
2008	1,328,659,681	9,801,895	1,318,857,786	2007	14,113,440,560	9.41%	916,952	1,449
2009	1,288,729,681	20,432,854	1,268,296,827	2008	13,945,472,326	9.24%	912,062	1,413
2010	1,546,284,681	12,444,416	1,533,840,265	2009	12,497,643,058	12.37%	910,921	1,697
2011	1,713,324,681	2,373,540	1,710,951,141	2010	11,120,394,579	15.41%	713,777	2,400
2012	1,656,414,681	15,952,557	1,640,462,124	2011	10,123,104,300	16.36%	706,585	2,344
2013	1,608,644,681	14,395,351	1,594,249,330	2012	9,437,451,598	17.05%	701,475	2,293
2014	1,541,209,870	36,049,851	1,505,160,019	2013	8,981,538,055	17.16%	688,701	2,238
2015	1,452,075,000	31,794,974	1,420,280,026	2014	7,812,080,813	18.59%	680,250	2,135
2016	1,398,580,000	18,564,614	1,380,015,386	2015	7,593,512,803	18.42%	677,116	2,065

* State Equalized Value/Taxable Values for a tax year are valuations as of December 31 of the previous year.

Sources: Wayne County Equalization Report, Detroit Public School Data, U.S. Census Bureau.

Detroit Public Schools

Percentage of Debt Service to Noncapital Expenditures (Unaudited) Last Ten Fiscal Years

Fiscal Year	Debt Service Expenditures	Non-Capital Expenditures	Percentage of Debt Service to Non-capital Expenditures
2007	\$ 136,206,793	\$ 1,561,128,465	8.72%
2008	151,370,288	1,481,567,107	10.22%
2009	140,608,888	1,365,282,676	10.30%
2010	157,482,455	1,324,844,408	11.89%
2011	196,014,420	1,265,726,332	15.49%
2012	190,248,900	1,107,595,803	17.18%
2013	197,028,864	910,969,792	21.63%
2014	229,932,112	935,478,755	24.58%
2015	224,462,485	923,606,786	24.30%
2016	191,298,910	903,217,954	21.18%

Note: Debt Service expenditures consist of principal retirement and payment of interest. Non-capital expenditures consist of all expenditures other than amounts capitalized and do not include other financing uses.

Source: District financial data

Detroit Public Schools

Demographic and Economic Statistics (Unaudited) Last Ten Fiscal Years

Fiscal Year	Population	Personal Income*	Per Capita Personal Income**	Unemployment Rate
2007	834,116	n/a*	n/a*	7.20
2008	916,952	n/a*	n/a*	8.70
2009	912,062	n/a*	n/a*	15.20
2010	910,921	n/a*	n/a*	14.30
2011	713,777	n/a*	n/a*	24.40
2012	706,585	n/a*	n/a*	18.30
2013	701,475	n/a*	n/a*	18.60
2014	688,701	n/a*	n/a*	16.40
2015	680,250	n/a*	n/a*	16.70
2016	677,116	n/a*	n/a*	12.50

n/a* - City of Detroit information not available

Sources:

U.S. Census Bureau

U.S. Department of Labor - Bureau of Labor Statistics

Detroit Public Schools

Principal Private Employers (Unaudited) For the Current Year and Ten Years Prior

Employer	Percentage of		Employer	Percentage of	
	2016 Employees	Total Employment		**2007 Employees	Total Employment
Rock Ventures	13,445	17.3%	Detroit Public Schools	14,223	16.8%
Detroit Medical Center	9,317	12.0%	City of Detroit	13,762	16.3%
City of Detroit	8,956	11.5%	Detroit Medical Center	10,956	13.0%
Henry Ford Health Systems	8,941	11.5%	Chrysler Corp	9,000	10.6%
Illitch Companies	7,527	9.7%	Henry Ford Health System	8,267	9.8%
U.S. Government	6,422	8.3%	U.S. Postal Service	6,963	8.2%
FCA US LLC	6,254	8.0%	U.S. Government	5,838	6.9%
Detroit Public Schools	5,731	7.4%	General Motors Corp.	5,412	6.4%
Blue Cross/Blue Shield of Michigan	5,612	7.2%	St. John Health	5,083	6.0%
Wayne State University	5,589	7.2%	Wayne State University	5,046	6.0%
Total principal private employers	<u>77,794</u>			<u>84,550</u>	
Total employment	<u>N/A</u>			<u>N/A</u>	

Source: Crain's Detroit Business
District Human Resource System
City of Detroit Finance Department
Bureau of Labor Statistics

Detroit Public Schools

Operating Statistics (Unaudited) Last Ten Fiscal Years

Fiscal Year Ended	Enrollment	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil	Percentage Change	Teaching Staff	Pupil-teacher Ratio	Average Daily Attendance
2007	118,394	\$ 1,424,921,672	\$ 12,035	8.70%	\$ 1,573,663,459	\$ 13,292	9.40%	7,064	16.8	81%
2008	106,485	1,330,196,819	12,492	3.79%	1,526,544,793	14,336	7.85%	6,269	17.0	84%
2009	95,494	1,220,054,459	12,776	2.28%	1,424,465,466	14,917	4.05%	5,797	16.5	84%
2010	84,877	1,169,738,265	13,782	7.87%	1,319,488,752	15,546	4.22%	5,222	16.3	83%
2011	75,152	1,067,536,984	14,205	3.07%	1,267,873,948	16,871	8.52%	4,982	15.1	77%
2012	66,745	915,495,622	13,716	-3.44%	1,071,757,990	16,058	-4.82%	4,396	15.2	82%
2013	51,318	712,922,213	13,892	1.28%	911,423,912	17,760	10.60%	3,398	15.1	86%
2014	48,511	707,461,081	14,584	4.98%	887,973,627	18,305	3.07%	3,398	14.3	86%
2015	47,161	702,573,048	14,897	2.15%	863,012,736	18,299	-0.03%	3,056	15.4	77%
2016	46,319	711,033,343	15,351	2.15%	891,022,297	19,237	-0.03%	2,869	16.1	85%

Note: Operating expenditures are total expenditures less debt service and capital outlays.

Source: Nonfinancial information from School District records

Detroit Public Schools

Full-time Equivalent District Employees by Type (Unaudited) Last Ten Fiscal Years

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Officials, administrators, managers	215.0	200.0	218.0	189.0	196.0	218.0	222.0	204.0	189.0	217.0
Principals	220.0	187.0	184.0	173.0	145.0	129.0	101.0	96.0	96.0	95.0
Assistant principals	148.0	150.0	131.0	90.0	98.0	54.0	52.0	50.0	48.0	48.0
Classroom teachers	7,064.4	6,269.3	5,797.1	5,222.0	4,380.7	4,048.8	3,088.0	3,100.8	2,808.8	2,644.0
Guidance	263.8	234.5	216.0	186.0	148.0	131.0	97.0	100.0	100.0	98.0
Psychological	102.0	100.0	90.0	82.0	73.4	74.2	64.8	58.8	52.8	37.2
Librarians/Audio-visual staff	58.0	49.0	47.0	29.0	12.0	9.0	3.0	2.0	2.0	-
Consultants/Supervisors of instruction	289.2	265.9	246.4	118.0	424.2	295.0	223.0	230.0	246.8	225.0
Other professional staff	618.6	601.5	579.9	491.0	443.9	387.7	383.2	387.4	358.6	335.0
Teacher aides	1,616.0	1,539.0	1,486.0	1,480.0	1,371.0	1,189.0	1,143.0	1,123.0	1,034.0	986.0
Technicians	22.0	21.0	19.0	19.0	17.0	15.4	11.0	9.0	8.0	7.0
Clerical/Secretarial staff	902.0	845.0	775.0	617.0	494.0	437.0	375.0	340.0	319.0	275.0
Service workers	2,189.0	2,684.0	2,380.0	1,954.0	898.0	819.0	810.0	821.0	753.0	753.0
Skilled crafts	487.0	460.0	405.0	325.0	13.0	11.0	13.0	13.0	12.0	11.0
Laborers - Unskilled	28.0	27.0	19.0	14.0	-	-	-	-	-	-
Staff totals	14,223.0	13,633.2	12,593.4	10,989.0	8,714.2	7,818.1	6,586.0	6,535.0	6,028.0	5,731.2
Part-time staff	1,785.0	1,106.0	791.0	751.0	691.0	551.0	482.0	493.0	442.0	355.0
Substitute staff:										
Instructional	561.0	682.0	500.0	344.0	468.0	347.0	193.0	237.0	238.0	246.0
Instructional support	384.0	298.0	129.0	133.0	67.0	47.0	117.0	7.0	9.0	11.0
Substitute staff totals	945.0	980.0	629.0	477.0	535.0	394.0	310.0	244.0	247.0	257.0

Note: Full-time equivalent employees are as of June 30.

Detroit Public Schools

Summary of Buildings and Sites (Unaudited) Last Ten Fiscal Years

School	2016 ⁽¹⁾	2015	2014	2013	2012	2011	2010	2009	2008	2007
Elementary Schools										
Bagley (1929)										
Square feet	54,317	54,317	54,317	54,317	54,317	54,317	54,317	54,317	54,317	54,317
Capacity	596	596	596	596	596	596	574	574	574	574
Enrollment	385	369	384	409	461	443	448	471	540	522
Barton (1945)										
Square feet	---	---	---	---	---	38,848	38,848	38,848	38,848	38,848
Capacity	---	---	---	---	---	470	441	441	441	441
Enrollment	---	---	---	---	---	400	362	282	285	284
Beard ECC (1896)										
Square feet	---	37,060	37,060	37,060	37,060	37,060	37,060	37,060	37,060	37,060
Capacity	---	369	369	369	369	369	310	310	310	310
Enrollment	---	0	0	73	126	161	175	168	179	169
Beckham Academy (2001)										
Square feet	---	---	---	---	104,836	104,836	86,000	86,000	86,000	86,000
Capacity	---	---	---	---	875	875	783	783	783	783
Enrollment	---	---	---	---	518	556	687	704	605	757
Bennett (1911)										
Square feet	67,144	67,144	67,144	67,144	67,144	67,144	67,144	67,144	67,144	67,144
Capacity	697	697	697	697	697	697	673	673	673	673
Enrollment	526	530	532	487	509	555	514	561	546	618
Birney (1963)										
Square feet	---	---	---	---	---	---	---	---	55,711	55,711
Capacity	---	---	---	---	---	---	---	---	424	424
Enrollment	---	---	---	---	---	---	---	---	230	254
Bow (1949)										
Square feet	59,100	---	---	---	---	---	---	59,100	59,100	59,100
Capacity	652	---	---	---	---	---	---	652	652	652
Enrollment	549	---	---	---	---	---	---	482	495	495
Brewer (1931)										
Square feet	---	---	---	---	---	---	---	---	57,894	57,894
Capacity	---	---	---	---	---	---	---	---	655	655
Enrollment	---	---	---	---	---	---	---	---	468	524
Brown (2001)										
Square feet	122,415	122,415	122,415	122,415	122,415	122,415	122,415	122,415	122,415	122,415
Capacity	1,161	1,161	1,161	1,161	1,161	1,161	1,170	1,170	1,170	1,170
Enrollment	705	680	700	766	808	879	1,138	1,116	1,096	1,044
Bunche (1955)										
Square feet	---	---	---	---	---	---	---	56,488	56,488	56,488
Capacity	---	---	---	---	---	---	---	492	492	492
Enrollment	---	---	---	---	---	---	---	275	339	345
Burt (1925)										
Square feet	---	---	---	---	---	---	---	49,750	49,750	49,750
Capacity	---	---	---	---	---	---	---	476	476	476
Enrollment	---	---	---	---	---	---	---	275	291	332
Campbell (1963)										
Square feet	---	---	---	---	---	---	---	56,833	56,833	56,833
Capacity	---	---	---	---	---	---	---	417	417	417
Enrollment	---	---	---	---	---	---	---	231	276	315
Carleton (1945)										
Square feet	52,134	52,134	52,134	52,134	52,134	52,134	52,134	52,134	52,134	52,134
Capacity	640	640	640	640	640	640	641	641	641	641
Enrollment	374	358	331	358	375	454	495	449	430	447
Carstens (1915)										
Square feet	---	---	---	---	---	---	91,277	91,277	91,277	91,277
Capacity	---	---	---	---	---	---	526	526	526	526
Enrollment	---	---	---	---	---	---	199	234	261	339

Detroit Public Schools

Summary of Buildings and Sites (Unaudited) (Continued) Last Ten Fiscal Years

School	2016 ⁽¹⁾	2015	2014	2013	2012	2011	2010	2009	2008	2007
Chrysler (1962)										
Square feet	23,066	23,066	23,066	23,066	23,066	23,066	23,066	23,066	23,066	23,066
Capacity	160	160	160	160	160	160	160	160	160	160
Enrollment	183	170	175	180	163	174	174	175	174	165
Clark (1925)										
Square feet	---	---	---	---	---	---	---	---	61,202	61,202
Capacity	---	---	---	---	---	---	---	---	801	801
Enrollment	---	---	---	---	---	---	---	---	333	398
Clemente, Roberto (2001)										
Square feet	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000
Capacity	862	862	862	862	862	862	786	786	786	786
Enrollment	771	760	772	771	701	742	812	803	782	771
Clinton (1925)										
Square feet	---	---	---	---	---	---	---	---	49,930	49,930
Capacity	---	---	---	---	---	---	---	---	542	542
Enrollment	---	---	---	---	---	---	---	---	262	263
Cooke (1925)										
Square feet	45,184	45,184	45,184	45,184	45,184	45,184	45,184	45,184	45,184	45,184
Capacity	420	420	420	420	420	420	412	412	412	412
Enrollment	324	364	377	403	363	373	425	358	361	347
Coolidge (1925)										
Square feet	---	---	---	---	---	---	---	---	57,528	57,528
Capacity	---	---	---	---	---	---	---	---	715	715
Enrollment	---	---	---	---	---	---	---	---	327	337
Crary (1938)										
Square feet	---	---	---	---	---	---	---	48,742	48,742	48,742
Capacity	---	---	---	---	---	---	---	552	552	552
Enrollment	---	---	---	---	---	---	---	330	380	384
Davison (1916)										
Square feet	---	---	---	---	---	---	---	110,388	110,388	110,388
Capacity	---	---	---	---	---	---	---	968	968	968
Enrollment	---	---	---	---	---	---	---	735	821	866
Dossin (1949)										
Square feet	50,508	---	---	---	---	---	---	50,508	50,508	50,508
Capacity	404	---	---	---	---	---	---	404	404	404
Enrollment	397	---	---	---	---	---	---	366	294	382
DPS Foundation for Early Learners (at Bethune Academy) (Program)										
Square feet	---	---	---	---	---	---	---	---	---	---
Capacity	---	---	---	---	---	---	---	---	---	---
Enrollment	---	---	---	---	64	---	---	---	---	---
DPS Foundation for Early Learners (at Brenda Scott) (Program)										
Square feet	---	---	---	---	---	---	---	---	---	---
Capacity	---	---	---	---	---	---	---	---	---	---
Enrollment	---	---	---	---	50	---	---	---	---	---
DPS Foundation for Early Learners (at Burns) (Program)										
Square feet	---	---	---	---	---	---	---	---	---	---
Capacity	---	---	---	---	---	---	---	---	---	---
Enrollment	---	---	---	---	33	---	---	---	---	---
DPS Foundation for Early Learners (at Edmonson) (Program)										
Square feet	---	---	---	---	---	N/A	---	---	---	---
Capacity	---	---	---	---	---	N/A	---	---	---	---
Enrollment	---	38	39	44	50	48	---	---	---	---
DPS Foundation for Early Learners (at Fleming) (Program)										
Square feet	---	---	---	---	---	---	---	---	---	---
Capacity	---	---	---	---	---	---	---	---	---	---
Enrollment	---	49	53	66	---	---	---	---	---	---
DPS Foundation for Early Learners (at Glazer) (Program)										
Square feet	---	---	---	---	---	N/A	---	---	---	---
Capacity	---	---	---	---	---	N/A	---	---	---	---
Enrollment	---	4	4	29	33	34	---	---	---	---

Detroit Public Schools

Summary of Buildings and Sites (Unaudited) (Continued) Last Ten Fiscal Years

School	2016 ⁽¹⁾	2015	2014	2013	2012	2011	2010	2009	2008	2007
DPS Foundation for Early Learners (at Katherine White) (Program)										
Square feet	---	---	---	---	---	N/A	---	---	---	---
Capacity	---	---	---	---	---	N/A	---	---	---	---
Enrollment	---	35	36	31	33	33	---	---	---	---
DPS Foundation for Early Learners (at Law) (Program)										
Square feet	---	---	---	---	---	---	---	---	---	---
Capacity	---	---	---	---	---	---	---	---	---	---
Enrollment	---	---	---	---	51	---	---	---	---	---
DPS Foundation for Early Learners (at Loving) (Program)										
Square feet	---	---	---	---	---	N/A	---	---	---	---
Capacity	---	---	---	---	---	N/A	---	---	---	---
Enrollment	---	30	31	33	35	32	---	---	---	---
DPS Foundation for Early Learners (at MacDowell) (Program)										
Square feet	---	---	---	---	---	---	---	---	---	---
Capacity	---	---	---	---	---	---	---	---	---	---
Enrollment	---	---	---	---	30	---	---	---	---	---
DPS Foundation for Early Learners (at Murphy) (Program)										
Square feet	---	---	---	---	---	---	---	---	---	---
Capacity	---	---	---	---	---	---	---	---	---	---
Enrollment	---	---	---	---	41	---	---	---	---	---
DPS Foundation for Early Learners (at Nolan) (Program)										
Square feet	---	---	---	---	---	---	---	---	---	---
Capacity	---	---	---	---	---	---	---	---	---	---
Enrollment	---	---	---	---	11	---	---	---	---	---
DPS Foundation for Early Learners (at Phoenix Academy) (Program)										
Square feet	---	---	---	---	---	---	---	---	---	---
Capacity	---	---	---	---	---	---	---	---	---	---
Enrollment	---	---	---	---	17	---	---	---	---	---
DPS Foundation for Early Learners (at Rutherford) (Program)										
Square feet	---	---	---	---	---	---	---	---	---	---
Capacity	---	---	---	---	---	---	---	---	---	---
Enrollment	---	38	39	35	30	---	---	---	---	---
Edison (1921)										
Square feet	44,263	44,263	44,263	44,263	44,263	44,263	44,263	44,263	44,263	44,263
Capacity	476	476	476	476	476	476	459	459	459	459
Enrollment	347	308	318	339	291	325	368	361	291	310
Edmonson (1956)										
Square feet	---	---	---	---	---	---	---	65,904	65,904	65,904
Capacity	---	---	---	---	---	---	---	574	574	574
Enrollment	---	---	---	---	---	---	---	294	296	289
Elementary School at Elmdale (1999)										
Square feet	---	---	---	---	---	---	---	---	37,198	37,198
Capacity	---	---	---	---	---	---	---	---	368	368
Enrollment	---	---	---	---	---	---	---	---	183	231
Emerson (1947)										
Square feet	126,805	---	---	---	---	---	---	126,805	126,805	126,805
Capacity	473	---	---	---	---	---	---	473	473	473
Enrollment	696	---	---	---	---	---	---	337	358	375
Fleming (1962)										
Square feet	---	---	---	---	---	---	---	58,690	58,690	58,690
Capacity	---	---	---	---	---	---	---	659	659	659
Enrollment	---	---	---	---	---	---	---	743	631	646
Gardner (1925)										
Square feet	32,634	32,634	32,634	32,634	32,634	32,634	32,634	32,634	32,634	32,634
Capacity	397	397	397	397	397	397	432	432	432	432
Enrollment	294	293	296	294	295	266	276	251	282	296
Glazer (1967)										
Square feet	---	---	---	---	---	---	48,000	48,000	48,000	48,000
Capacity	---	---	---	---	---	---	409	409	409	409
Enrollment	---	---	---	---	---	---	262	310	334	365

Detroit Public Schools

Summary of Buildings and Sites (Unaudited) (Continued) Last Ten Fiscal Years

School	2016 ⁽¹⁾	2015	2014	2013	2012	2011	2010	2009	2008	2007
Gompers (1954)										
Square feet	---	---	---	---	---	---	31,369	31,369	31,369	31,369
Capacity	---	---	---	---	---	---	356	356	356	356
Enrollment	---	---	---	---	---	---	251	313	311	321
Guyton (1921)										
Square feet	---	---	---	---	---	---	---	---	47,264	47,264
Capacity	---	---	---	---	---	---	---	---	479	479
Enrollment	---	---	---	---	---	---	---	---	307	314
Hamilton (1926)										
Square feet	---	---	---	---	---	---	---	---	51,373	51,373
Capacity	---	---	---	---	---	---	---	---	482	482
Enrollment	---	---	---	---	---	---	---	---	245	235
Hanstein (1919)										
Square feet	---	---	---	---	---	---	---	35,832	35,832	35,832
Capacity	---	---	---	---	---	---	---	383	383	383
Enrollment	---	---	---	---	---	---	---	297	279	276
Harding (1923)										
Square feet	---	---	---	---	---	---	---	71,600	71,600	71,600
Capacity	---	---	---	---	---	---	---	646	646	646
Enrollment	---	---	---	---	---	---	---	305	339	360
Harms (1915)										
Square feet	44,933	44,933	44,933	44,933	44,933	44,933	44,933	44,933	44,933	44,933
Capacity	687	687	687	687	687	687	616	616	616	616
Enrollment	481	457	479	526	585	550	583	640	644	606
Heilmann Park ES (2002)										
Square feet	---	---	---	---	---	---	---	---	95,098	95,098
Capacity	---	---	---	---	---	---	---	---	797	797
Enrollment	---	---	---	---	---	---	---	---	713	756
Holcomb (1924)										
Square feet	---	---	---	---	---	---	---	48,241	48,241	48,241
Capacity	---	---	---	---	---	---	---	484	484	484
Enrollment	---	---	---	---	---	---	---	279	288	340
Holmes, O. W. (1917)										
Square feet	---	---	---	---	---	---	---	---	64,611	64,611
Capacity	---	---	---	---	---	---	---	---	637	637
Enrollment	---	---	---	---	---	---	---	---	330	375
Houghten (1924)										
Square feet	---	---	---	---	---	---	---	---	58,368	58,368
Capacity	---	---	---	---	---	---	---	---	540	540
Enrollment	---	---	---	---	---	---	---	---	233	278
Howe (2002)										
Square feet	---	---	---	---	---	---	98,174	98,174	98,174	98,174
Capacity	---	---	---	---	---	---	760	760	760	760
Enrollment	---	---	---	---	---	---	387	489	429	541
Hutchinson (1917)										
Square feet	---	---	---	---	---	---	---	---	55,672	55,672
Capacity	---	---	---	---	---	---	---	---	628	628
Enrollment	---	---	---	---	---	---	---	---	384	447
Jamieson (1961)										
Square feet	---	---	---	---	---	---	---	64,930	64,930	64,930
Capacity	---	---	---	---	---	---	---	841	841	841
Enrollment	---	---	---	---	---	---	---	456	501	542
Joyce (1914)										
Square feet	---	---	---	---	---	---	---	---	48,918	48,918
Capacity	---	---	---	---	---	---	---	---	517	517
Enrollment	---	---	---	---	---	---	---	---	342	430
King ES (1930)										
Square feet	---	---	---	---	---	---	---	---	47,314	47,314
Capacity	---	---	---	---	---	---	---	---	601	601
Enrollment	---	---	---	---	---	---	---	---	494	564

Detroit Public Schools

Summary of Buildings and Sites (Unaudited) (Continued) Last Ten Fiscal Years

School	2016 ⁽¹⁾	2015	2014	2013	2012	2011	2010	2009	2008	2007
Lodge (1950)										
Square feet	---	---	---	---	---	---	---	---	21,514	21,514
Capacity	---	---	---	---	---	---	---	---	239	239
Enrollment	---	---	---	---	---	---	---	---	142	172
Logan (1925)										
Square feet	---	---	---	---	---	54,810	54,810	54,810	54,810	54,810
Capacity	---	---	---	---	---	683	639	639	639	639
Enrollment	---	---	---	---	---	466	510	574	594	596
Loving (1982)										
Square feet	---	---	---	---	---	---	49,200	49,200	49,200	49,200
Capacity	---	---	---	---	---	---	482	482	482	482
Enrollment	---	---	---	---	---	---	271	304	320	400
MacDowell (1940)										
Square feet	---	---	---	---	---	---	---	52,500	52,500	52,500
Capacity	---	---	---	---	---	---	---	519	519	519
Enrollment	---	---	---	---	---	---	---	426	419	427
Macomb (1928)										
Square feet	---	---	---	---	---	---	---	---	30,689	30,689
Capacity	---	---	---	---	---	---	---	---	403	403
Enrollment	---	---	---	---	---	---	---	---	162	232
Mann (1944)										
Square feet	44,909	44,909	44,909	44,909	44,909	44,909	44,909	44,909	44,909	44,909
Capacity	492	492	492	492	492	492	464	464	464	464
Enrollment	420	395	416	427	457	416	421	390	342	399
Marshall, John (1928)										
Square feet	---	---	---	---	---	---	---	---	62,166	62,166
Capacity	---	---	---	---	---	---	---	---	819	819
Enrollment	---	---	---	---	---	---	---	---	446	500
Marshall, Thurgood (1920)										
Square feet	---	---	---	90,905	90,905	90,905	90,905	90,905	90,905	90,905
Capacity	---	---	---	781	781	781	712	712	712	712
Enrollment	---	---	---	434	403	369	364	363	387	440
Mason (1930)										
Square feet	---	---	---	---	---	46,870	46,870	46,870	46,870	46,870
Capacity	---	---	---	---	---	465	390	390	390	390
Enrollment	---	---	---	---	---	350	367	382	343	355
Maybury (1909)										
Square feet	45,322	45,322	45,322	45,322	45,322	45,322	45,322	45,322	45,322	45,322
Capacity	542	542	542	542	542	542	645	645	645	645
Enrollment	382	405	407	354	304	394	594	619	648	651
McColl (1949)										
Square feet	---	---	---	---	---	---	---	33,652	33,652	33,652
Capacity	---	---	---	---	---	---	---	413	413	413
Enrollment	---	---	---	---	---	---	---	263	273	271
McFarlane (1925)										
Square feet	---	---	---	---	---	---	---	59,008	59,008	59,008
Capacity	---	---	---	---	---	---	---	430	430	430
Enrollment	---	---	---	---	---	---	---	341	329	356
McKenny (1950)										
Square feet	---	---	---	---	---	---	---	67,295	67,295	67,295
Capacity	---	---	---	---	---	---	---	632	632	632
Enrollment	---	---	---	---	---	---	---	307	375	368
Munger (1925)										
Square feet	---	---	---	---	---	---	---	---	115,691	115,691
Capacity	---	---	---	---	---	---	---	---	1,025	1,025
Enrollment	---	---	---	---	---	---	---	---	354	482
Neinas (1916)										
Square feet	52,771	52,771	52,771	52,771	52,771	52,771	52,771	52,771	52,771	52,771
Capacity	499	499	499	499	499	499	498	498	498	498
Enrollment	300	313	287	324	404	365	359	369	387	433

Detroit Public Schools

Summary of Buildings and Sites (Unaudited) (Continued) Last Ten Fiscal Years

School	2016 ⁽¹⁾	2015	2014	2013	2012	2011	2010	2009	2008	2007
Northwest ELC (1968)										
Square feet	---	---	---	---	---	---	---	---	12,400	12,400
Capacity	---	---	---	---	---	---	---	---	135	135
Enrollment	---	---	---	---	---	---	---	---	110	117
Oakman (1928)										
Square feet	---	---	---	---	46,464	46,464	46,464	46,464	46,464	46,464
Capacity	---	---	---	---	446	446	373	373	373	373
Enrollment	---	---	---	---	288	297	277	265	290	271
Pasteur (1930)										
Square feet	56,541	56,541	56,541	56,541	56,541	56,541	56,541	56,541	56,541	56,541
Capacity	607	607	607	607	607	607	500	500	500	500
Enrollment	463	476	460	463	389	416	398	364	361	336
Priest (1923)										
Square feet	---	---	---	---	---	---	---	---	117,502	117,502
Capacity	---	---	---	---	---	---	---	---	1,145	1,145
Enrollment	---	---	---	---	---	---	---	---	813	840
Rutherford (1928)										
Square feet	---	---	---	---	---	51,356	51,356	51,356	51,356	51,356
Capacity	---	---	---	---	---	534	457	457	457	457
Enrollment	---	---	---	---	---	355	373	439	440	428
Schulze (2002)										
Square feet	94,991	94,991	94,991	---	---	---	---	94,991	94,991	94,991
Capacity	749	749	749	---	---	---	---	749	749	749
Enrollment	590	553	566	---	---	---	---	725	635	659
Stark (1969)										
Square feet	---	---	---	---	---	---	---	---	62,240	62,240
Capacity	---	---	---	---	---	---	---	---	407	407
Enrollment	---	---	---	---	---	---	---	---	172	187
Stephens (1913)										
Square feet	---	---	---	---	---	---	---	---	76,119	76,119
Capacity	---	---	---	---	---	---	---	---	694	694
Enrollment	---	---	---	---	---	---	---	---	287	317
Thirkell (1914)										
Square feet	68,701	---	---	68,701	68,701	68,701	68,701	68,701	68,701	68,701
Capacity	528	---	---	528	528	528	609	609	609	609
Enrollment	665	---	---	568	463	569	461	432	517	543
Van Zile (1924)										
Square feet	---	---	---	---	---	---	48,068	48,068	48,068	48,068
Capacity	---	---	---	---	---	---	562	562	562	562
Enrollment	---	---	---	---	---	---	278	415	530	570
Vernor (1945)										
Square feet	44,608	44,608	44,608	44,608	44,608	44,608	44,608	44,608	44,608	44,608
Capacity	428	428	428	428	428	428	452	452	452	452
Enrollment	273	277	299	293	299	304	322	315	332	322
Wayne (1929)										
Square feet	45,296	45,296	45,296	45,296	45,296	45,296	45,296	45,296	45,296	45,296
Capacity	606	606	606	606	606	606	519	519	519	519
Enrollment	329	323	331	339	322	335	388	427	466	516
Webster (1955)										
Square feet	---	---	---	---	---	---	58,822	58,822	58,822	58,822
Capacity	---	---	---	---	---	---	427	427	427	427
Enrollment	---	---	---	---	---	---	315	357	383	397
White, K. (1920)										
Square feet	---	---	---	---	---	---	---	---	97,217	97,217
Capacity	---	---	---	---	---	---	---	---	1,052	1,052
Enrollment	---	---	---	---	---	---	---	---	620	697
Wilkins (1925)										
Square feet	---	---	---	---	---	---	---	48,801	48,801	48,801
Capacity	---	---	---	---	---	---	---	525	525	525
Enrollment	---	---	---	---	---	---	---	386	438	472

Detroit Public Schools

Summary of Buildings and Sites (Unaudited) (Continued) Last Ten Fiscal Years

School	2016 ⁽¹⁾	2015	2014	2013	2012	2011	2010	2009	2008	2007
Wright, Charles (2002)										
Square feet	94,991	94,991	94,991	94,991	94,991	94,991	94,991	94,991	94,991	94,991
Capacity	739	739	739	739	739	739	746	746	746	746
Enrollment	503	506	527	524	599	599	693	607	639	622
Young, C. (1982)										
Square feet	67,800	67,800	67,800	67,800	67,800	67,800	67,800	67,800	67,800	67,800
Capacity	718	718	718	718	718	718	692	692	692	692
Enrollment	426	436	480	515	577	632	691	613	577	560
K - 8 Schools										
Academy of the Americas (1996)										
Square feet	97,929	97,929	97,929	97,929	97,929	97,929	97,929	97,929	97,929	97,929
Capacity	1,034	1,034	1,034	1,034	1,034	1,034	1,116	1,116	1,116	1,116
Enrollment	901	819	800	734	693	745	713	684	718	778
Ann Arbor Trail (1946)										
Square feet	44,850	44,850	44,850	44,850	44,850	44,850	44,850	44,850	43,343	43,343
Capacity	626	626	626	626	626	626	532	532	532	532
Enrollment	383	399	452	505	505	495	513	476	459	452
Bates Academy (at Beaubien MS) (1966)										
Square feet	128,190	128,190	128,190	128,190	128,190	128,190	128,190	128,190	128,190	128,190
Capacity	1,210	1,210	1,210	1,210	1,210	1,210	1,393	1,393	1,393	1,393
Enrollment	828	813	852	862	852	855	834	852	858	854
Bethune Academy (1922)										
Square feet	---	---	---	---	---	---	---	82,149	82,149	82,149
Capacity	---	---	---	---	---	---	---	1,111	1,111	1,111
Enrollment	---	---	---	---	---	---	---	615	582	741
Bethune Academy (at Fitzgerald) (1925)										
Square feet	---	---	---	---	---	100,662	88,110	---	---	---
Capacity	---	---	---	---	---	1,132	908	---	---	---
Enrollment	---	---	---	---	---	802	808	---	---	---
Blackwell Institute (1980)										
Square feet	57,044	57,044	57,044	57,044	57,044	57,044	57,044	57,044	57,044	57,044
Capacity	808	808	808	808	808	808	817	817	817	817
Enrollment	383	387	421	436	471	516	637	693	670	660
Bow (1949)										
Square feet	59,100	59,100	59,100	59,100	59,100	59,100	59,100	---	---	---
Capacity	804	804	804	804	804	804	652	---	---	---
Enrollment	549	520	474	511	557	562	676	---	---	---
Boynton (1925)										
Square feet	---	---	---	---	---	---	---	---	120,132	120,132
Capacity	---	---	---	---	---	---	---	---	977	977
Enrollment	---	---	---	---	---	---	---	---	274	323
Brewer Academy (at Columbus MS) (1928)										
Square feet	54,174	54,174	54,174	54,174	54,174	54,174	54,174	54,174	---	---
Capacity	812	812	812	812	812	812	807	807	---	---
Enrollment	545	516	536	553	553	595	611	716	---	---
Bunche Academy (at Duffield) (1922)										
Square feet	109,671	109,671	109,671	109,671	109,671	109,671	113,455	---	---	---
Capacity	1,167	1,167	1,167	1,167	1,167	1,167	1,142	---	---	---
Enrollment	604	550	528	531	531	564	580	---	---	---
Burns (1923)										
Square feet	---	---	---	---	---	65,370	65,370	65,370	65,370	65,370
Capacity	---	---	---	---	---	823	799	799	799	799
Enrollment	---	---	---	---	---	564	626	677	754	822
Burton International (1921)										
Square feet	---	---	---	---	---	---	---	59,136	59,136	59,136
Capacity	---	---	---	---	---	---	---	612	612	612
Enrollment	---	---	---	---	---	---	---	649	647	692

Detroit Public Schools

Summary of Buildings and Sites (Unaudited) (Continued) Last Ten Fiscal Years

School	2016 ⁽¹⁾	2015	2014	2013	2012	2011	2010	2009	2008	2007
Burton International (at Pelham) (1963)										
Square feet	114,200	114,200	114,200	114,200	114,200	114,200	114,200	---	---	---
Capacity	1,038	1,038	1,038	1,038	1,038	1,038	940	---	---	---
Enrollment	672	632	620	614	693	788	868	---	---	---
Butzel (1964)										
Square feet	---	---	---	---	---	---	---	---	135,600	135,600
Capacity	---	---	---	---	---	---	---	---	1,070	1,070
Enrollment	---	---	---	---	---	---	---	---	388	501
Carstens Academy (at Remus Robinson) (1977)										
Square feet	128,000	128,000	128,000	128,000	128,000	128,000	---	---	---	---
Capacity	785	785	785	785	785	785	---	---	---	---
Enrollment	392	425	409	557	639	663	---	---	---	---
Carver (1953)										
Square feet	67,102	67,102	67,102	67,102	67,102	67,102	67,102	67,102	67,102	67,102
Capacity	6,628	668	668	668	668	668	794	794	794	794
Enrollment	380	367	388	350	368	354	408	494	502	556
Clark (1925)										
Square feet	56,852	56,852	56,852	56,852	56,852	56,852	56,852	61,202	---	---
Capacity	789	789	789	789	789	789	876	876	---	---
Enrollment	696	677	715	791	729	688	599	603	---	---
Coffey (1925)										
Square feet	---	---	---	---	---	---	---	47,464	47,464	47,464
Capacity	---	---	---	---	---	---	---	685	685	685
Enrollment	---	---	---	---	---	---	---	386	388	508
Curtis (1967)										
Square feet	---	---	---	---	---	---	---	---	63,374	63,374
Capacity	---	---	---	---	---	---	---	---	725	725
Enrollment	---	---	---	---	---	---	---	---	262	347
Davison (1916)										
Square feet	---	110,388	110,388	110,388	110,388	110,388	110,388	---	---	---
Capacity	---	1,051	1,051	1,051	1,051	1,051	968	---	---	---
Enrollment	---	697	726	750	701	689	733	---	---	---
Detroit Open (1925)										
Square feet	---	---	---	---	---	---	---	---	35,500	35,500
Capacity	---	---	---	---	---	---	---	---	342	342
Enrollment	---	---	---	---	---	---	---	---	226	277
Dixon (1930)										
Square feet	---	---	---	---	---	---	---	60,554	60,554	60,554
Capacity	---	---	---	---	---	---	---	877	877	877
Enrollment	---	---	---	---	---	---	---	535	576	596
Dixon Academy (at Lessenger) (1963)										
Square feet	93,258	93,258	93,258	93,258	93,258	93,258	93,258	---	---	---
Capacity	914	914	914	914	914	914	775	---	---	---
Enrollment	571	649	662	774	675	772	777	---	---	---
Dossin (1949)										
Square feet	50,508	50,508	50,508	50,508	50,508	50,508	50,508	---	---	---
Capacity	498	489	489	489	489	489	404	---	---	---
Enrollment	---	408	412	422	394	403	429	---	---	---
Drew Academy (1970)										
Square feet	---	---	---	---	---	---	---	139,000	139,000	139,000
Capacity	---	---	---	---	---	---	---	915	915	915
Enrollment	---	---	---	---	---	---	---	388	344	432
Duffield (1922)										
Square feet	---	---	---	---	---	---	---	113,455	113,455	113,455
Capacity	---	---	---	---	---	---	---	1,142	1,142	1,142
Enrollment	---	---	---	---	---	---	---	388	438	550
Durfee (1928)										
Square feet	170,870	170,870	170,870	170,870	170,870	170,870	170,870	170,870	170,870	170,870
Capacity	1,561	1,561	1,561	1,561	1,561	1,561	1,218	1,218	1,218	1,218
Enrollment	594	503	580	670	745	898	619	735	604	655

Detroit Public Schools

Summary of Buildings and Sites (Unaudited) (Continued) Last Ten Fiscal Years

School	2016 ⁽¹⁾	2015	2014	2013	2012	2011	2010	2009	2008	2007
Earhart Elementary/Middle (2011)										
Square feet	111,090	111,090	111,090	111,090	111,090	111,090	---	---	---	---
Capacity	1,064	1,064	1,064	1,064	1,064	1,064	---	---	---	---
Enrollment	696	704	720	772	846	776	---	---	---	---
Edmonson (1956)										
Square feet	---	---	---	---	---	---	65,904	---	---	---
Capacity	---	---	---	---	---	---	574	---	---	---
Enrollment	---	---	---	---	---	---	395	---	---	---
Ellington, Duke (1978)										
Square feet	---	---	---	---	82,954	82,954	82,954	82,954	82,954	82,954
Capacity	---	---	---	---	855	855	818	818	818	818
Enrollment	---	---	---	---	334	471	552	611	576	597
Ellington, Duke at Beckham (2001)										
Square feet	104,836	104,836	104,836	104,836	---	---	---	---	---	---
Capacity	1,069	1,069	1,069	1,069	---	---	---	---	---	---
Enrollment	722	668	719	795	---	---	---	---	---	---
Emerson (1947)										
Square feet	126,805	126,805	126,805	126,805	126,805	126,805	126,805	---	---	---
Capacity	1,586	1,586	1,586	1,586	1,586	1,586	473	---	---	---
Enrollment	696	651	683	757	761	790	705	---	---	---
Farwell (1964)										
Square feet	---	---	---	---	---	96,304	---	---	---	---
Capacity	---	---	---	---	---	886	---	---	---	---
Enrollment	---	---	---	---	---	650	---	---	---	---
Fisher Magnet (at Burbank) (1930)										
Square feet	---	---	---	---	---	---	---	---	91,020	91,020
Capacity	---	---	---	---	---	---	---	---	678	678
Enrollment	---	---	---	---	---	---	---	---	591	597
Fisher Magnet Lower Academy (at Heilmann Park ES) (2002)										
Square feet	95,098	95,098	95,098	95,098	95,098	95,098	95,098	95,098	---	---
Capacity	866	866	866	866	866	866	873	873	---	---
Enrollment	712	691	696	653	680	758	791	894	---	---
Fisher Magnet Upper Academy (at Heilmann Park MS) (2003)										
Square feet	147,620	147,620	147,620	147,620	147,620	147,620	147,620	147,620	---	---
Capacity	1,088	1,088	1,088	1,088	1,088	1,088	1,460	1,460	---	---
Enrollment	449	481	505	559	546	652	625	871	---	---
Fitzgerald (1925)										
Square feet	---	---	---	---	---	---	---	88,110	88,110	88,110
Capacity	---	---	---	---	---	---	---	908	908	908
Enrollment	---	---	---	---	---	---	---	600	589	624
Foreign Language Immersion (1992)										
Square feet	92,010	92,010	92,010	92,010	92,010	92,010	92,010	92,010	92,010	92,010
Capacity	1,037	1,037	1,037	1,037	1,037	1,037	985	985	985	985
Enrollment	984	662	700	738	678	653	661	629	685	716
Garvey Academy, Marcus (at Jones) (1962)										
Square feet	---	---	---	---	---	---	---	---	48,141	48,141
Capacity	---	---	---	---	---	---	---	---	485	485
Enrollment	---	---	---	---	---	---	---	---	259	285
Garvey Academy, Marcus (at Butzel) (1964)										
Square feet	144,400	144,400	144,400	144,400	144,400	144,400	135,600	135,600	---	---
Capacity	1,080	1,080	1,080	1,080	1,080	1,080	989	989	---	---
Enrollment	427	518	528	493	511	588	644	663	---	---
Golightly Center (1919)										
Square feet	---	107,134	107,134	107,134	107,134	107,134	107,134	107,134	107,134	107,134
Capacity	---	1,054	1,054	1,054	1,054	1,054	986	986	986	986
Enrollment	---	449	479	498	504	599	627	666	716	830
Gompers Elementary/Middle (2011)										
Square feet	111,882	111,882	111,882	111,882	111,882	111,882	---	---	---	---
Capacity	1,064	1,064	1,064	1,064	1,064	1,064	---	---	---	---
Enrollment	785	826	844	927	821	971	---	---	---	---

Detroit Public Schools

Summary of Buildings and Sites (Unaudited) (Continued) Last Ten Fiscal Years

School	2016 ⁽¹⁾	2015	2014	2013	2012	2011	2010	2009	2008	2007
Greenfield Union (1914)										
Square feet	75,285	75,285	75,285	75,285	75,285	75,285	75,285	75,285	75,285	75,285
Capacity	893	893	893	893	893	893	955	955	955	955
Enrollment	410	378	387	409	365	399	484	554	560	678
Hamilton (1926)										
Square feet	---	---	---	---	---	---	51,373	51,373	---	---
Capacity	---	---	---	---	---	---	585	585	---	---
Enrollment	---	---	---	---	---	---	490	590	---	---
Henderson Academy (1963)										
Square feet	109,000	109,000	109,000	109,000	109,000	109,000	109,000	109,000	---	---
Capacity	1,013	1,013	1,013	1,013	1,013	1,013	1,297	1,297	---	---
Enrollment	800	773	796	809	815	683	745	693	---	---
Henderson Lower (1994)										
Square feet	---	---	---	---	---	---	---	---	30,191	30,191
Capacity	---	---	---	---	---	---	---	---	340	340
Enrollment	---	---	---	---	---	---	---	---	242	280
Henderson Upper (1963)										
Square feet	---	---	---	---	---	---	---	---	109,000	109,000
Capacity	---	---	---	---	---	---	---	---	952	952
Enrollment	---	---	---	---	---	---	---	---	457	584
Holmes, A. L. (1915)										
Square feet	102,217	102,217	102,217	102,217	102,217	102,217	102,217	102,217	102,217	102,217
Capacity	813	813	813	813	813	813	989	989	989	989
Enrollment	525	533	510	575	422	448	471	533	564	690
Holmes, O. W. (1917)										
Square feet	---	---	---	---	---	64,611	64,611	64,611	---	---
Capacity	---	---	---	---	---	794	880	880	---	---
Enrollment	---	---	---	---	---	420	506	594	---	---
Hughes, Langston Academy (1952)										
Square feet	---	---	---	---	---	---	---	55,360	55,360	55,360
Capacity	---	---	---	---	---	---	---	692	692	692
Enrollment	---	---	---	---	---	---	---	301	236	248
Hughes, Langston Upper Academy (at Taft) (1963)										
Square feet	---	---	---	---	---	95,591	95,591	---	---	---
Capacity	---	---	---	---	---	805	851	---	---	---
Enrollment	---	---	---	---	---	357	419	---	---	---
Hutchins at McMichael Technological Academy (1982)										
Square feet	---	---	---	---	---	---	85,079	85,079	85,079	85,079
Capacity	---	---	---	---	---	---	725	725	725	725
Enrollment	---	---	---	---	---	---	394	417	422	549
Hutchinson (1917)										
Square feet	---	---	---	---	---	---	55,672	55,672	---	---
Capacity	---	---	---	---	---	---	628	628	---	---
Enrollment	---	---	---	---	---	---	369	413	---	---
Hutchinson at Howe (2002)										
Square feet	97,174	98,174	98,174	98,174	98,174	98,174	---	---	---	---
Capacity	745	745	745	745	745	745	---	---	---	---
Enrollment	469	385	442	559	549	592	---	---	---	---
Jemison, Mae C. (at Herman Rodgers) (1942)										
Square feet	---	---	---	---	---	77,384	77,384	77,384	77,384	77,384
Capacity	---	---	---	---	---	1,250	1,118	1,118	1,118	1,118
Enrollment	---	---	---	---	---	474	523	500	676	737
Jordan, Barbara (1928)										
Square feet	---	---	---	---	---	---	---	160,261	160,261	160,261
Capacity	---	---	---	---	---	---	---	1,040	1,040	1,040
Enrollment	---	---	---	---	---	---	---	564	620	773
King J.R. (at Cerveny) (1923)										
Square feet	133,580	133,580	133,580	133,580	133,580	133,580	133,580	133,580	---	---
Capacity	1,320	1,320	1,320	1,320	1,320	1,320	1,024	1,024	---	---
Enrollment	891	849	901	984	929	979	1,068	856	---	---

Detroit Public Schools

Summary of Buildings and Sites (Unaudited) (Continued) Last Ten Fiscal Years

School	2016 ⁽¹⁾	2015	2014	2013	2012	2011	2010	2009	2008	2007
Law Elementary (2001)										
Square feet	---	---	---	---	---	125,995	125,995	125,995	125,995	125,995
Capacity	---	---	---	---	---	1,227	1,244	1,244	1,244	1,244
Enrollment	---	---	---	---	---	769	734	889	1,014	990
Lessenger Preparatory Academy (1963)										
Square feet	---	---	---	---	---	---	---	93,258	93,258	93,258
Capacity	---	---	---	---	---	---	---	775	775	775
Enrollment	---	---	---	---	---	---	---	358	400	480
MacDowell (1940)										
Square feet	---	---	---	---	---	52,500	52,500	---	---	---
Capacity	---	---	---	---	---	566	519	---	---	---
Enrollment	---	---	---	---	---	436	523	---	---	---
Mackenzie Elementary/Middle (2012)										
Square feet	111,774	111,774	111,774	111,774	111,774	---	---	---	---	---
Capacity	1,064	1,064	1,064	1,064	1,064	---	---	---	---	---
Enrollment	1,067	1,074	1,059	1,015	964	---	---	---	---	---
Malcolm X Academy (at Dewey) (1955)										
Square feet	---	---	---	---	---	---	---	78,850	78,850	78,850
Capacity	---	---	---	---	---	---	---	966	966	966
Enrollment	---	---	---	---	---	---	---	317	334	496
Marquette (1949)										
Square feet	92,618	92,618	92,618	92,618	92,618	92,618	92,618	92,618	92,618	92,618
Capacity	1,233	1,233	1,233	1,233	1,233	1,233	996	996	996	996
Enrollment	701	639	709	818	863	875	888	821	816	904
Marshall, Thurgood (1920)										
Square feet	90,905	90,905	90,905	90,905	---	---	---	---	---	---
Capacity	781	781	781	781	---	---	---	---	---	---
Enrollment	686	576	587	531	---	---	---	---	---	---
Mason Elementary/Middle (at Farwell MS) (1964)										
Square feet	96,304	96,304	96,304	96,304	96,304	---	---	---	---	---
Capacity	974	974	974	974	974	---	---	---	---	---
Enrollment	468	503	470	609	736	---	---	---	---	---
Munger Elementary/Middle (2012)										
Square feet	111,245	111,245	111,245	111,245	111,245	---	---	---	---	---
Capacity	1,064	1,064	1,064	1,064	1,064	---	---	---	---	---
Enrollment	963	933	931	866	917	---	---	---	---	---
Murphy (1963)										
Square feet	---	---	---	---	---	107,591	107,591	107,591	107,591	107,591
Capacity	---	---	---	---	---	774	1,095	1,095	1,095	1,095
Enrollment	---	---	---	---	---	590	580	499	375	493
Nichols (1910)										
Square feet	51,904	51,904	51,904	51,904	51,904	51,904	51,904	51,904	51,904	51,904
Capacity	481	481	481	481	481	481	475	475	475	475
Enrollment	287	286	289	255	272	325	375	418	320	347
Noble (1920)										
Square feet	143,605	143,605	143,605	143,605	143,605	143,605	143,605	143,605	143,605	143,605
Capacity	1,030	1,030	1,030	1,030	1,030	1,030	939	939	939	939
Enrollment	607	543	573	625	478	426	416	510	418	515
Nolan Elementary/Middle (1926)										
Square feet	---	---	---	---	---	112,432	112,432	112,432	112,432	112,432
Capacity	---	---	---	---	---	1,183	1,105	1,105	1,105	1,105
Enrollment	---	---	---	---	---	572	577	800	627	717
Owen Academy (at Pelham) (1963)										
Square feet	---	---	---	---	---	---	---	114,200	114,200	114,200
Capacity	---	---	---	---	---	---	---	940	940	940
Enrollment	---	---	---	---	---	---	---	267	357	474
Palmer Park Prep Academy (at B. Jordan) (1928)										
Square feet	160,261	160,261	160,261	160,261	160,261	160,261	160,261	---	---	---
Capacity	1,115	1,115	1,115	1,115	1,115	1,115	1,040	---	---	---
Enrollment	543	557	561	538	546	611	577	---	---	---

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Summary of Buildings and Sites (Unaudited) (Continued) Last Ten Fiscal Years

School	2016 ⁽¹⁾	2015	2014	2013	2012	2011	2010	2009	2008	2007
Parker Elementary/Middle (1926)										
Square feet	---	---	---	---	---	70,528	70,528	70,528	70,528	70,528
Capacity	---	---	---	---	---	941	907	907	907	907
Enrollment	---	---	---	---	---	636	588	502	595	666
Phoenix Academy (1916)										
Square feet	---	---	---	---	---	112,628	112,628	112,628	112,628	112,628
Capacity	---	---	---	---	---	907	814	814	814	814
Enrollment	---	---	---	---	---	459	476	543	684	687
Priest Elementary/Middle (1923)										
Square feet	117,502	117,502	117,502	117,502	117,502	117,502	117,502	117,502	---	---
Capacity	1,161	1,161	1,161	1,161	1,161	1,161	1,450	1,450	---	---
Enrollment	830	814	787	823	932	981	953	812	---	---
Pulaski (1942)										
Square feet	60,966	60,966	60,966	60,966	60,966	60,966	60,966	60,966	60,966	60,966
Capacity	955	955	955	955	955	955	755	755	755	755
Enrollment	523	536	525	512	473	588	619	623	653	751
Richard, G. (1928)										
Square feet	---	---	---	---	---	---	---	---	43,664	43,664
Capacity	---	---	---	---	---	---	---	---	784	784
Enrollment	---	---	---	---	---	---	---	---	431	507
Robeson, Paul (1917)										
Square feet	---	---	---	---	---	---	---	201,389	201,389	201,389
Capacity	---	---	---	---	---	---	---	1,323	1,323	1,323
Enrollment	---	---	---	---	---	---	---	617	562	619
Robeson, Paul / Malcolm X Academy (1917)										
Square feet	---	---	---	---	---	---	201,389	---	---	---
Capacity	---	---	---	---	---	---	1,323	---	---	---
Enrollment	---	---	---	---	---	---	661	---	---	---
Robeson, Paul / Malcolm X Academy at Hally (1927)										
Square feet	48,500	48,500	48,500	48,500	48,500	48,500	---	---	---	---
Capacity	750	750	750	750	750	750	---	---	---	---
Enrollment	380	361	386	446	412	606	---	---	---	---
Robinson, Remus Academy (1977)										
Square feet	---	---	---	---	---	---	128,000	128,000	---	---
Capacity	---	---	---	---	---	---	1,104	1,104	---	---
Enrollment	---	---	---	---	---	---	444	517	---	---
Sampson Webber Academy (1964)										
Square feet	145,118	145,118	145,118	145,118	145,118	145,118	145,118	145,118	145,118	145,118
Capacity	1,101	1,101	1,101	1,101	1,101	1,101	981	981	981	981
Enrollment	355	405	363	455	555	633	387	483	558	726
Schulze (2002)										
Square feet	94,991	---	---	94,991	94,991	94,991	94,991	---	---	---
Capacity	813	---	---	813	813	813	749	---	---	---
Enrollment	590	---	---	676	706	887	817	---	---	---
Scott, Brenda (2003)										
Square feet	---	---	---	---	---	147,620	147,620	---	---	---
Capacity	---	---	---	---	---	1,152	1,098	---	---	---
Enrollment	---	---	---	---	---	851	1,033	---	---	---
Sherrill (1923)										
Square feet	---	---	---	---	---	---	73,000	73,000	73,000	73,000
Capacity	---	---	---	---	---	---	783	783	783	783
Enrollment	---	---	---	---	---	---	449	551	454	497
Spain (1912)										
Square feet	145,591	145,591	145,591	145,591	145,591	145,591	145,591	145,591	145,591	145,591
Capacity	1,125	1,125	1,125	1,125	1,125	1,125	990	990	990	990
Enrollment	483	545	586	649	696	747	780	837	809	809
Stewart, Carlyle K-8 Learning Academy (at MacCulloch) (1925)										
Square feet	---	---	---	---	---	71,350	71,350	71,350	71,350	71,350
Capacity	---	---	---	---	---	903	805	805	805	805
Enrollment	---	---	---	---	---	488	549	632	682	692

Detroit Public Schools

Summary of Buildings and Sites (Unaudited) (Continued) Last Ten Fiscal Years

School	2016 ⁽¹⁾	2015	2014	2013	2012	2011	2010	2009	2008	2007
Thirkell (1914)										
Square feet	68,701	68,701	68,701	---	---	---	---	---	---	---
Capacity	619	619	619	---	---	---	---	---	---	---
Enrollment	665	671	632	---	---	---	---	---	---	---
Trix (1944)										
Square feet	---	---	---	---	---	48,208	48,208	48,208	48,208	48,208
Capacity	---	---	---	---	---	659	710	710	710	710
Enrollment	---	---	---	---	---	414	440	520	331	427
Twain, Mark (1961)										
Square feet	---	---	---	---	---	---	---	---	53,356	53,356
Capacity	---	---	---	---	---	---	---	---	624	624
Enrollment	---	---	---	---	---	---	---	---	289	288
Twain, Mark Academy (at Boynton) (1925)										
Square feet	120,132	120,132	120,132	120,132	120,132	120,132	120,132	120,132	---	---
Capacity	936	936	936	936	936	936	977	977	---	---
Enrollment	243	255	256	259	231	273	310	364	---	---
Vetal (1925)										
Square feet	---	---	---	---	---	---	66,553	66,553	66,553	66,553
Capacity	---	---	---	---	---	---	883	883	883	883
Enrollment	---	---	---	---	---	---	503	511	530	594
Westside Multicultural Academy (2002)										
Square feet	---	---	---	---	---	---	---	71,283	71,283	71,283
Capacity	---	---	---	---	---	---	---	597	597	597
Enrollment	---	---	---	---	---	---	---	282	313	364
White, Katherine Elementary/Middle (1920)										
Square feet	---	---	---	---	---	---	97,217	97,217	---	---
Capacity	---	---	---	---	---	---	1,359	1,359	---	---
Enrollment	---	---	---	---	---	---	651	784	---	---
Wilkins (1925)										
Square feet	---	---	---	---	48,801	48,801	48,801	---	---	---
Capacity	---	---	---	---	534	534	525	---	---	---
Enrollment	---	---	---	---	273	334	384	---	---	---
Winterhalter (1920)										
Square feet	---	---	---	---	---	---	---	---	125,504	125,504
Capacity	---	---	---	---	---	---	---	---	1,439	1,439
Enrollment	---	---	---	---	---	---	---	---	512	638
Middle Schools										
Barbour (1920)										
Square feet	---	---	---	---	---	---	---	---	156,000	156,000
Capacity	---	---	---	---	---	---	---	---	1,353	1,353
Enrollment	---	---	---	---	---	---	---	---	370	455
Cerveny (1923)										
Square feet	---	---	---	---	---	---	---	---	133,580	133,580
Capacity	---	---	---	---	---	---	---	---	1,090	1,090
Enrollment	---	---	---	---	---	---	---	---	398	521
Clippert Academy (1905)										
Square feet	46,194	46,194	46,194	46,194	46,194	46,194	46,194	46,194	46,194	46,194
Capacity	626	626	626	626	626	626	567	567	567	567
Enrollment	501	512	500	497	483	523	530	446	380	347
Columbus (1928)										
Square feet	---	---	---	---	---	---	---	---	54,174	54,174
Capacity	---	---	---	---	---	---	---	---	898	898
Enrollment	---	---	---	---	---	---	---	---	370	455
Detroit Lions Alternative MS (1963)										
Square feet	32,241	32,241	32,241	32,241	32,241	32,241	32,241	32,241	32,241	32,241
Capacity	146	146	146	146	146	146	197	197	197	197
Enrollment	112	89	101	112	113	74	107	116	146	116

Detroit Public Schools

Summary of Buildings and Sites (Unaudited) (Continued) Last Ten Fiscal Years

School	2016 ⁽¹⁾	2015	2014	2013	2012	2011	2010	2009	2008	2007
Earhart (1965)										
Square feet	---	---	---	---	---	---	---	104,450	104,450	104,450
Capacity	---	---	---	---	---	---	---	936	936	936
Enrollment	---	---	---	---	---	---	---	558	633	644
Earhart MS (at Southwestern HS) (1915)										
Square feet	---	---	---	---	---	---	N/A	---	---	---
Capacity	---	---	---	---	---	---	N/A	---	---	---
Enrollment	---	---	---	---	---	---	313	---	---	---
Farwell (1964)										
Square feet	---	---	---	---	---	---	96,304	96,304	96,304	96,304
Capacity	---	---	---	---	---	---	889	889	889	889
Enrollment	---	---	---	---	---	---	344	434	513	591
Hally (1927)										
Square feet	---	---	---	---	---	---	48,500	48,500	48,500	48,500
Capacity	---	---	---	---	---	---	801	801	801	801
Enrollment	---	---	---	---	---	---	249	368	460	538
Hancock Center (at Arts in Academics) (1964)										
Square feet	---	---	---	---	---	---	16,727	16,727	16,727	---
Capacity	---	---	---	---	---	---	105	105	105	---
Enrollment	---	---	---	---	---	---	38	40	40	---
Hancock Center (1971)										
Square feet	---	---	---	---	---	---	---	---	---	12,412
Capacity	---	---	---	---	---	---	---	---	---	105
Enrollment	---	---	---	---	---	---	---	---	---	55
Heilmann Park MS (2003)										
Square feet	---	---	---	---	---	---	---	---	147,620	147,620
Capacity	---	---	---	---	---	---	---	---	1,141	1,141
Enrollment	---	---	---	---	---	---	---	---	507	671
Ludington Magnet (1925)										
Square feet	---	---	---	---	---	53,632	53,632	53,632	53,632	53,632
Capacity	---	---	---	---	---	693	702	702	702	702
Enrollment	---	---	---	---	---	383	538	634	601	616
Ludington Magnet (at Langston Hughes/Taft MS) (1963)										
Square feet	95,591	95,591	95,591	95,591	95,591	---	---	---	---	---
Capacity	693	693	693	693	693	---	---	---	---	---
Enrollment	289	379	420	448	511	---	---	---	---	---
McNair (1927)										
Square feet	---	---	---	---	---	---	---	---	133,603	133,603
Capacity	---	---	---	---	---	---	---	---	1,160	1,160
Enrollment	---	---	---	---	---	---	---	---	442	737
Robinson (1977)										
Square feet	---	---	---	---	---	---	---	---	128,000	128,000
Capacity	---	---	---	---	---	---	---	---	995	995
Enrollment	---	---	---	---	---	---	---	---	316	347
Scott, Brenda (2003)										
Square feet	---	---	---	---	---	---	---	147,620	147,620	147,620
Capacity	---	---	---	---	---	---	---	1,098	1,098	1,098
Enrollment	---	---	---	---	---	---	---	469	517	696
Taft (1963)										
Square feet	---	---	---	---	---	---	---	95,591	95,591	95,591
Capacity	---	---	---	---	---	---	---	851	851	851
Enrollment	---	---	---	---	---	---	---	359	414	600

Detroit Public Schools

Summary of Buildings and Sites (Unaudited) (Continued) Last Ten Fiscal Years

School	2016 ⁽¹⁾	2015	2014	2013	2012	2011	2010	2009	2008	2007
High Schools										
Barsamian Preparatory Alternative (1968)										
Square feet	---	---	---	---	---	---	22,200	22,200	22,200	22,200
Capacity	---	---	---	---	---	---	195	195	195	195
Enrollment	---	---	---	---	---	---	53	47	67	83
Boykin Alternative (1908)										
Square feet	---	---	---	---	---	---	---	64,502	64,502	64,502
Capacity	---	---	---	---	---	---	---	198	198	198
Enrollment	---	---	---	---	---	---	---	72	91	90
Breithaupt Career and Tech (1981)										
Square feet	150,361	150,361	150,361	150,361	150,361	150,361	150,361	150,361	150,361	150,361
Capacity	616	616	616	616	616	616	792	792	792	792
Enrollment	369	12	9	14	20	6	3	2	1	11
Carson, Ben Academy (at Crockett CTC) (1980)										
Square feet	95,691	95,691	95,691	95,691	95,691	N/A	---	---	---	---
Capacity	594	594	594	594	594	N/A	---	---	---	---
Enrollment	392	440	453	356	219	121	---	---	---	---
Cass Tech (2004)										
Square feet	402,484	402,484	402,484	402,484	402,484	402,484	402,484	402,484	402,484	402,484
Capacity	2,286	2,286	2,286	2,286	2,286	2,286	2,286	2,286	2,286	2,286
Enrollment	2,455	2,235	2,319	2,304	2,287	2,188	2,139	2,174	2,078	2,139
Central (1924)										
Square feet	---	---	---	---	---	213,974	213,974	213,974	213,974	213,974
Capacity	---	---	---	---	---	1,699	1,505	1,505	1,505	1,505
Enrollment	---	---	---	---	---	820	1,047	874	905	1,229
Chadsey (New 7-12 Learning Opportunity at) (1930)										
Square feet	---	---	---	---	---	---	---	---	163,842	163,842
Capacity	---	---	---	---	---	---	---	---	1,346	1,346
Enrollment	---	---	---	---	---	---	---	---	967	1,079
Cleveland (New 7-12 Learning Opportunity at) (1926)										
Square feet	---	---	---	---	---	---	---	---	102,352	102,352
Capacity	---	---	---	---	---	---	---	---	1,078	1,078
Enrollment	---	---	---	---	---	---	---	---	692	733
Cody (1947)										
Square feet	286,752	286,752	286,752	286,752	286,752	286,752	286,752	286,752	286,752	286,752
Capacity	677	677	677	677	677	677	2,108	2,108	2,108	2,108
Enrollment	---	---	---	---	---	340	642	823	1,082	1,255
Cody - Academy of Critical Thinkers (1947)										
Square feet	---	---	---	---	---	N/A	N/A	N/A	---	---
Capacity	---	---	---	---	---	387	N/A	N/A	---	---
Enrollment	---	---	---	---	---	204	178	98	---	---
Cody - Detroit Institute of Technology (1947)										
Square feet	---	N/A	N/A	N/A	N/A	N/A	N/A	N/A	---	---
Capacity	---	376	376	376	376	376	N/A	N/A	---	---
Enrollment	---	236	268	307	340	256	201	76	---	---
Cody - Medicine & Community Health Academy (1947)										
Square feet	---	N/A	N/A	N/A	N/A	N/A	N/A	N/A	---	---
Capacity	---	259	259	259	259	259	N/A	N/A	---	---
Enrollment	---	433	443	427	453	307	234	94	---	---
Cody - Academy of Public Leadership (1947)										
Square feet	---	N/A	N/A	N/A	N/A	N/A	N/A	N/A	---	---
Capacity	---	208	208	208	208	208	N/A	N/A	---	---
Enrollment	---	357	368	348	367	276	211	84	---	---
Cody 9th Grade Academy at Ruddiman (1922)										
Square feet	---	---	---	---	---	---	---	---	93,521	93,521
Capacity	---	---	---	---	---	---	---	---	742	742
Enrollment	---	---	---	---	---	---	---	---	389	510

Detroit Public Schools

Summary of Buildings and Sites (Unaudited) (Continued) Last Ten Fiscal Years

School	2016 ⁽¹⁾	2015	2014	2013	2012	2011	2010	2009	2008	2007
Communication & Media Arts (1992)										
Square feet		79,450	79,450	79,450	79,450	79,450	79,450	79,450	79,450	79,450
Capacity		763	763	763	763	763	720	720	720	720
Enrollment		619	610	608	516	528	504	473	516	511
Cooley (1927)										
Square feet	---	---	---	---	---	---	---	206,795	206,795	206,795
Capacity	---	---	---	---	---	---	---	2,238	2,238	2,238
Enrollment	---	---	---	---	---	---	---	1,049	1,155	1,476
Crockett Career and Tech (1980)										
Square feet	---	---	---	---	---	95,691	95,691	95,691	95,691	95,691
Capacity	---	---	---	---	---	550	594	594	594	594
Enrollment	---	---	---	---	---	1	2	2	3	2
Crockett HS (at Burroughs) (1925)										
Square feet	---	---	---	---	---	129,592	129,592	129,592	129,592	129,592
Capacity	---	---	---	---	---	837	837	837	837	837
Enrollment	---	---	---	---	---	565	675	877	862	789
Crosmen Alternative (at Hutchins) (1920)										
Square feet	---	---	---	---	---	---	---	138,056	138,056	138,056
Capacity	---	---	---	---	---	---	---	1,341	1,341	1,341
Enrollment	---	---	---	---	---	---	---	229	252	309
DABO (Program) (2004)										
Square feet	---	---	---	---	---	N/A	---	N/A	N/A	N/A
Capacity	---	---	---	---	---	N/A	---	N/A	N/A	N/A
Enrollment	---	---	---	---	---	208	---	191	129	---
Davis Aerospace (1968)										
Square feet	---	---	---	---	66,600	66,600	66,600	66,600	66,600	66,600
Capacity	---	---	---	---	595	595	559	559	559	559
Enrollment	---	---	---	---	196	189	201	201	203	212
Davis Aerospace at Golightly (1982)										
Square feet		132,668	132,668	132,668	---	---	---	---	---	---
Capacity		1,071	1,071	1,071	---	---	---	---	---	---
Enrollment		247	160	171	---	---	---	---	---	---
Denby (1929)										
Square feet	---	---	---	---	---	214,510	205,470	205,470	205,470	205,470
Capacity	---	---	---	---	---	1,737	1,807	1,807	1,807	1,807
Enrollment	---	---	---	---	---	1,192	1,120	1,058	1,128	1,559
Detroit Behavior Institute (Program) (2006)										
Square feet	---	---	---	---	---	N/A	---	N/A	N/A	N/A
Capacity	---	---	---	---	---	N/A	---	N/A	N/A	N/A
Enrollment	---	---	---	---	---	71	---	54	48	---
Detroit City Alternative at Longfellow (1916)										
Square feet	---	---	---	---	---	115,277	115,277	115,277	115,277	115,277
Capacity	---	---	---	---	---	988	711	711	711	711
Enrollment	---	---	---	---	---	229	403	585	584	628
Detroit Collegiate Preparatory HS (1970)										
Square feet	---	---	---	---	N/A	N/A	---	---	---	---
Capacity	---	---	---	---	N/A	N/A	---	---	---	---
Enrollment	---	---	---	---	116	74	---	---	---	---
Detroit Collegiate Preparatory at Northwestern (1970)										
Square feet		354,359	354,359	354,359	---	---	---	---	---	---
Capacity		1,835	1,835	1,835	---	---	---	---	---	---
Enrollment		585	606	620	---	---	---	---	---	---
Detroit HS of Technology (1929)										
Square feet	---	---	---	---	---	---	---	N/A	N/A	N/A
Capacity	---	---	---	---	---	---	---	N/A	N/A	N/A
Enrollment	---	---	---	---	---	---	---	157	178	198
Detroit International Academy (at Northern) (1914)										
Square feet		318,416	318,416	318,416	318,416	318,416	318,416	318,416	318,416	318,416
Capacity		1,303	1,303	1,303	1,303	1,303	1,176	1,176	1,176	1,176
Enrollment		430	412	474	513	544	611	528	513	465

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Summary of Buildings and Sites (Unaudited) (Continued) Last Ten Fiscal Years

School	2016 ⁽¹⁾	2015	2014	2013	2012	2011	2010	2009	2008	2007
Detroit School of Arts (2004)										
Square feet		305,634	305,634	305,634	305,634	305,634	305,634	305,634	305,634	305,634
Capacity		1,296	1,296	1,296	1,296	1,296	1,296	1,296	1,296	1,296
Enrollment		561	590	541	610	635	712	719	795	870
Douglass Academy (at Murray-Wright) (1965)										
Square feet		232,817	232,817	232,817	232,817	232,817	232,817	232,817	232,817	232,817
Capacity		1,302	1,302	1,302	1,302	1,302	1,263	1,263	1,263	1,263
Enrollment		205	211	244	202	191	280	304	296	324
East English Village Preparatory Academy (2012)										
Square feet		218,000	218,000	218,000	218,000	---	---	---	---	---
Capacity		1,300	1,300	1,300	1,300	---	---	---	---	---
Enrollment		1,478	1,560	1,545	1,207	---	---	---	---	---
Ferguson Alternative (1930)										
Square feet	---	---	---	---	---	---	44,434	44,434	44,434	44,434
Capacity	---	---	---	---	---	---	300	300	300	300
Enrollment	---	---	---	---	---	---	220	257	284	292
Finney (1928)										
Square feet	---	---	---	---	---	---	---	---	257,392	257,392
Capacity	---	---	---	---	---	---	---	---	2,027	2,027
Enrollment	---	---	---	---	---	---	---	---	800	987
Finney (at McNair) (1927)										
Square feet	---	---	---	---	---	133,603	133,603	133,603	---	---
Capacity	---	---	---	---	---	1,170	1,550	1,550	---	---
Enrollment	---	---	---	---	---	470	490	554	---	---
Ford HS (1956)										
Square feet	---	---	---	---	---	271,742	270,218	270,218	270,218	270,218
Capacity	---	---	---	---	---	1,871	1,866	1,866	1,866	1,866
Enrollment	---	---	---	---	---	994	1,151	1,133	1,469	1,922
Golightly Career and Tech (1982)										
Square feet	---	---	---	---	132,668	132,668	132,668	132,668	132,668	132,668
Capacity	---	---	---	---	836	836	748	748	748	748
Enrollment	---	---	---	---	46	1	1	1	---	4
Kettering (1965)										
Square feet	---	---	---	---	---	148,348	148,348	148,348	148,348	148,348
Capacity	---	---	---	---	---	1,050	1,863	1,863	1,863	1,863
Enrollment	---	---	---	---	---	717	822	878	1,067	1,142
King HS (1965)										
Square feet	---	---	---	---	---	---	306,444	306,444	306,444	306,444
Capacity	---	---	---	---	---	---	2,006	2,006	2,006	2,006
Enrollment	---	---	---	---	---	---	1,385	1,314	1,613	1,921
King HS (2011)										
Square feet	245,413	245,413	245,413	245,413	245,413	245,413	---	---	---	---
Capacity	1,656	1,656	1,656	1,656	1,656	1,656	---	---	---	---
Enrollment	1,432	1,537	1,549	1,525	1,542	1,304	---	---	---	---
Mumford (1948)										
Square feet	---	---	---	---	---	240,273	240,273	240,273	240,273	240,273
Capacity	---	---	---	---	---	1,692	2,150	2,150	2,150	2,150
Enrollment	---	---	---	---	---	1,005	1,265	1,791	2,057	2,135
Northwestern (1970)										
Square feet	---	---	---	---	388,059	388,059	388,059	388,059	388,059	388,059
Capacity	---	---	---	---	1,557	1,557	2,007	2,007	2,007	2,007
Enrollment	---	---	---	---	696	630	814	1,154	1,204	1,575
Osborn (1956)										
Square feet	201,884	201,884	201,884	201,884	201,884	201,884	201,884	201,884	201,884	201,884
Capacity	462	462	462	462	462	462	1,891	1,891	1,891	1,891
Enrollment	---	---	---	---	---	130	402	818	1,305	1,418
Osborn - Academy of Mathematics (1956)										
Square feet	---	N/A	N/A	N/A	N/A	N/A	N/A	N/A	---	---
Capacity	---	327	327	327	327	327	N/A	N/A	---	---
Enrollment	---	272	298	342	335	253	192	104	---	---

Detroit Public Schools

Summary of Buildings and Sites (Unaudited) (Continued) Last Ten Fiscal Years

School	2016 ⁽¹⁾	2015	2014	2013	2012	2011	2010	2009	2008	2007
Osborn - College Preparatory Academy (1956)										
Square feet		N/A	N/A	N/A	N/A	N/A	N/A	N/A	---	---
Capacity		276	276	276	276	276	N/A	N/A	---	---
Enrollment		208	232	264	318	286	214	113	---	---
Osborn - Evergreen Academy of Design (1956)										
Square feet		N/A	N/A	N/A	N/A	N/A	N/A	N/A	---	---
Capacity		298	298	298	298	298	N/A	N/A	---	---
Enrollment		248	261	269	290	242	177	89	---	---
Pershing (1929)										
Square feet	---	---	---	---	---	249,694	249,694	249,694	249,694	249,694
Capacity	---	---	---	---	---	2,207	2,274	2,274	2,274	2,274
Enrollment	---	---	---	---	---	806	932	1,077	1,219	1,432
Randolph Career and Tech (1982)										
Square feet	122,883	122,883	122,883	122,883	122,883	122,883	122,883	122,883	122,883	122,883
Capacity	660	660	660	660	660	660	704	704	704	704
Enrollment	176	1	1	4	22	7	9	11	6	6
A. Philip Randolph Technical HS (1982)										
Square feet		NA	NA	---	---	---	---	---	---	---
Capacity		NA	NA	---	---	---	---	---	---	---
Enrollment		0	49	---	---	---	---	---	---	---
Renaissance (2005)										
Square feet	295,523	295,523	295,523	295,523	295,523	295,523	295,523	295,523	295,523	295,523
Capacity	1,169	1,169	1,169	1,169	1,169	1,169	1,169	1,169	1,169	1,169
Enrollment	1,128	1,130	1,148	1,156	1,123	1,114	1,097	1,031	1,043	1,033
Riverside Preparatory Academy (Program) (2004)										
Square feet	---	---	---	---	---	N/A	---	N/A	N/A	N/A
Capacity	---	---	---	---	---	N/A	---	N/A	N/A	N/A
Enrollment	---	---	---	---	---	131	---	93	94	---
Southeastern (1914)										
Square feet	---	---	---	---	---	264,527	264,527	264,527	264,527	264,527
Capacity	---	---	---	---	---	1,722	2,911	2,911	2,911	2,911
Enrollment	---	---	---	---	---	1,154	1,420	1,962	2,297	2,487
Southeastern 9th Grade Academy (1924)										
Square feet	---	---	---	---	---	114,234	114,234	114,234	114,234	114,234
Capacity	---	---	---	---	---	N/A	N/A	N/A	N/A	N/A
Enrollment	---	---	---	---	---	N/A	N/A	N/A	N/A	N/A
Southwestern (1915)										
Square feet	---	---	---	---	---	198,050	198,050	198,050	198,050	198,050
Capacity	---	---	---	---	---	1,106	1,646	1,646	1,646	1,646
Enrollment	---	---	---	---	---	583	785	805	633	754
Trombly (at Vincent) (1905)										
Square feet	---	---	---	---	---	---	---	52,475	52,475	52,475
Capacity	---	---	---	---	---	---	---	429	429	429
Enrollment	---	---	---	---	---	---	---	331	240	281
Trombly (at Kettering HS) (1965)										
Square feet	---	---	---	---	---	---	N/A	---	---	---
Capacity	---	---	---	---	---	---	N/A	---	---	---
Enrollment	---	---	---	---	---	---	163	---	---	---
West Side Alternative (at Wingert) (1906)										
Square feet	---	---	---	---	---	---	---	42,240	42,240	42,240
Capacity	---	---	---	---	---	---	---	414	414	414
Enrollment	---	---	---	---	---	---	---	608	553	595
West Side Academy (at Westside Multicultural) (2002)										
Square feet	71,283	71,283	71,283	71,283	71,283	71,283	71,283	---	---	---
Capacity	419	419	419	419	419	419	597	---	---	---
Enrollment	580	450	483	535	522	516	494	---	---	---
Western International (1937)										
Square feet	299,630	299,630	299,630	299,630	299,630	299,630	214,412	214,412	214,412	214,412
Capacity	2,367	2,367	2,367	2,367	2,367	2,367	1,862	1,862	1,862	1,862
Enrollment	1,992	1,588	1,591	1,528	1,457	1,243	1,477	1,681	1,677	1,626

Detroit Public Schools

Summary of Buildings and Sites (Unaudited) (Continued) Last Ten Fiscal Years

School	2016 ⁽¹⁾	2015	2014	2013	2012	2011	2010	2009	2008	2007
Special Education Centers										
Banks-Williamson, Diann Special Education Center (2013)										
Square feet	21,165	21,165	21,165	21,165	---	---	---	---	---	---
Capacity	108	108	108	108	---	---	---	---	---	---
Enrollment	67	80	88	98	---	---	---	---	---	---
Cooley North (1972)										
Square feet	---	---	---	---	---	---	---	114,229	114,229	114,229
Capacity	---	---	---	---	---	---	---	181	181	181
Enrollment	---	---	---	---	---	---	---	121	148	165
Detroit School for the Deaf (1970)										
Square feet	---	---	---	---	---	61,152	61,152	61,152	61,152	61,152
Capacity	---	---	---	---	---	140	91	91	91	91
Enrollment	---	---	---	---	---	47	49	55	34	40
Detroit Transition Center East (1924)										
Square feet	---	---	---	---	---	---	86,400	86,400	86,400	86,400
Capacity	---	---	---	---	---	---	372	372	372	372
Enrollment	---	---	---	---	---	---	260	266	256	262
Detroit Transition Center West (1926)										
Square feet	---	---	---	---	---	---	58,223	58,223	58,223	58,223
Capacity	---	---	---	---	---	---	290	290	290	290
Enrollment	---	---	---	---	---	---	174	175	171	164
Drew Transion Center (1970)										
Square feet	139,000	139,000	139,000	139,000	139,000	139,000	---	---	---	---
Capacity	500	500	500	500	500	500	---	---	---	---
Enrollment	535	535	537	546	583	467	---	---	---	---
Early Intervention (Program) (N/A)										
Square feet	---	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	---	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	---	283	313	0	114	458	---	109	93	100
Field, Moses Center (1964)										
Square feet	53,742	53,742	53,742	53,742	53,742	53,742	53,742	53,742	53,742	53,742
Capacity	22	293	293	293	293	293	180	180	180	180
Enrollment	---	120	132	108	125	131	163	171	166	168
Keidan Special Education Center (1963)										
Square feet	---	83,850	83,850	83,850	83,850	83,850	83,850	83,850	83,850	83,850
Capacity	---	492	492	492	492	492	382	382	382	382
Enrollment	---	240	264	266	168	170	156	187	210	256
Kettering West (1965)										
Square feet	---	---	---	---	101,515	101,515	101,515	101,515	101,515	101,515
Capacity	---	---	---	---	341	341	221	221	221	221
Enrollment	---	---	---	---	107	213	204	233	220	244
McKinney Day Treatment (1964)										
Square feet	---	---	---	---	---	---	---	---	---	48,092
Capacity	---	---	---	---	---	---	---	---	---	100
Enrollment	---	---	---	---	---	---	---	---	---	74
McKinney Day Treatment at Crosman (1920)										
Square feet	---	---	---	---	---	---	---	N/A	N/A	---
Capacity	---	---	---	---	---	---	---	N/A	N/A	---
Enrollment	---	---	---	---	---	---	---	64	54	---
Turning Point Academy (1929)										
Square feet	---	52,768	52,768	52,768	52,768	52,768	52,768	52,768	52,768	52,768
Capacity	---	249	249	249	249	249	150	150	150	150
Enrollment	---	60	66	80	92	87	89	38	45	40
White, J. Special Education Center (2005)										
Square feet	---	97,739	97,739	97,739	97,739	97,739	97,739	97,739	97,739	97,739
Capacity	---	330	330	330	330	330	330	330	330	330
Enrollment	---	201	220	221	190	237	267	269	290	315

Detroit Public Schools

Summary of Buildings and Sites (Unaudited) (Continued) Last Ten Fiscal Years

School	2016 ⁽¹⁾	2015	2014	2013	2012	2011	2010	2009	2008	2007
TOTAL - Instructional										
Total - Square Feet ⁽²⁾		10,058,310	10,058,310	10,058,310	10,417,179	13,733,531	14,551,311	16,451,982	18,555,276	18,599,053
Total - Capacity ⁽³⁾		79,639	79,639	79,612	81,568	109,882	119,322	137,342	155,834	155,934
Total - Enrollment (PK-12) ⁽⁴⁾		49,566	50,799	52,362	52,981	69,927	76,459	87,758	97,356	108,103
Noninstructional Sites										
AHCC Museum (1926)										
Square feet	---	---	---	---	---	---	---	8,606	8,606	8,606
Capacity	---	---	---	---	---	---	---	N/A	N/A	N/A
Enrollment	---	---	---	---	---	---	---	N/A	N/A	N/A
Central Distribution Center (N/A)										
Square feet	---	316,578	316,578	316,578	316,578	316,578	316,578	316,578	316,578	316,578
Capacity	---	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	---	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Children's Museum (1929)										
Square feet	29,928	29,928	29,928	29,928	29,928	29,928	29,928	29,928	29,928	29,928
Capacity		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Detroit School for the Deaf (1970)										
Square feet	61,152	61,152	61,152	61,152	61,152	---	---	---	---	---
Capacity		N/A	N/A	N/A	N/A	---	---	---	---	---
Enrollment		N/A	N/A	N/A	N/A	---	---	---	---	---
Eastside Bus Terminal (1940)										
Square feet	44,784	44,784	44,784	44,784	44,784	44,784	44,784	44,784	44,784	44,784
Capacity		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Eastside Maintenance Hub (1939)										
Square feet	---	27,451	27,451	27,451	27,451	27,451	27,451	27,451	27,451	27,451
Capacity	---	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	---	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fisher Building (1928)										
Square feet	172,068	172,068	172,068	172,068	172,068	172,068	172,068	172,068	172,068	172,068
Capacity		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Golightly Horticulture (1982)										
Square feet	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Capacity		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Grant (Office of Public Safety) (2004)										
Square feet	---	---	---	---	---	---	---	---	3,822	3,822
Capacity	---	---	---	---	---	---	---	---	N/A	N/A
Enrollment	---	---	---	---	---	---	---	---	N/A	N/A
Harris Professional Development (1963)										
Square feet	---	---	---	---	30,608	30,608	30,608	30,608	30,608	30,608
Capacity	---	---	---	---	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	---	---	---	---	N/A	N/A	N/A	N/A	N/A	N/A
Kahn Building (1931)										
Square feet	---	---	---	---	---	---	87,886	87,886	87,886	87,886
Capacity	---	---	---	---	---	---	N/A	N/A	N/A	N/A
Enrollment	---	---	---	---	---	---	N/A	N/A	N/A	N/A
Lawton Building (1909)										
Square feet	---	31,922	31,922	31,922	31,922	31,922	31,922	31,922	31,922	31,922
Capacity	---	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	---	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Detroit Public Schools

Summary of Buildings and Sites (Unaudited) (Continued) Last Ten Fiscal Years

School	2016 ⁽¹⁾	2015	2014	2013	2012	2011	2010	2009	2008	2007
Longfellow Annex (1916)										
Square feet	---	---	---	---	---	---	48,674	48,674	48,674	48,674
Capacity	---	---	---	---	---	---	N/A	N/A	N/A	N/A
Enrollment	---	---	---	---	---	---	N/A	N/A	N/A	N/A
Lothrop Landing (1985)										
Square feet	---	---	---	---	---	---	2,693	2,693	2,693	2,693
Capacity	---	---	---	---	---	---	N/A	N/A	N/A	N/A
Enrollment	---	---	---	---	---	---	N/A	N/A	N/A	N/A
Military Science (1965)										
Square feet	---	---	---	---	---	5,400	5,400	5,400	5,400	5,400
Capacity	---	---	---	---	---	N/A	N/A	N/A	N/A	N/A
Enrollment	---	---	---	---	---	N/A	N/A	N/A	N/A	N/A
McNichols Attendance (1959)										
Square feet	---	---	---	---	---	---	---	---	---	13,377
Capacity	---	---	---	---	---	---	---	---	---	N/A
Enrollment	---	---	---	---	---	---	---	---	---	N/A
New Center One (1989)										
Square feet	---	---	---	---	---	---	58,800	58,800	58,800	58,800
Capacity	---	---	---	---	---	---	N/A	N/A	N/A	N/A
Enrollment	---	---	---	---	---	---	N/A	N/A	N/A	N/A
Northeast Service Center (at Fleming) (1962)										
Square feet	---	58,690	58,690	58,690	58,690	58,690	58,690	---	---	---
Capacity	---	N/A	N/A	N/A	N/A	N/A	N/A	---	---	---
Enrollment	---	N/A	N/A	N/A	N/A	N/A	N/A	---	---	---
Northern Annex (Office of Public Safety HQ) (1950)										
Square feet	---	---	---	---	---	---	---	23,662	23,662	23,662
Capacity	---	---	---	---	---	---	---	N/A	N/A	N/A
Enrollment	---	---	---	---	---	---	---	N/A	N/A	N/A
Office of Adult Education East (at Richard) (1928)										
Square feet	43,664	43,664	43,664	43,664	43,664	43,664	43,664	43,664	---	---
Capacity	---	N/A	N/A	N/A	N/A	N/A	N/A	N/A	---	---
Enrollment	---	N/A	N/A	N/A	N/A	N/A	N/A	N/A	---	---
Office of Adult Education West (at Crary) (1938)										
Square feet	48,742	48,742	48,742	48,742	48,742	48,742	48,742	---	---	---
Capacity	---	N/A	N/A	N/A	N/A	N/A	N/A	---	---	---
Enrollment	---	N/A	N/A	N/A	N/A	N/A	N/A	---	---	---
Professional Development at Northwestern										
Square feet	33,700	33,700	33,700	---	---	---	---	---	---	---
Capacity	---	N/A	N/A	N/A	---	---	---	---	---	---
Enrollment	---	N/A	N/A	N/A	---	---	---	---	---	---
Public Safety Command Center/HQ (2011)										
Square feet	28,400	28,400	28,400	28,400	28,400	28,400	28,400	---	---	---
Capacity	---	N/A	N/A	N/A	N/A	N/A	N/A	---	---	---
Enrollment	---	N/A	N/A	N/A	N/A	N/A	N/A	---	---	---
Puritan Attendance (1960)										
Square feet	---	---	---	---	---	---	---	12,549	12,549	12,549
Capacity	---	---	---	---	---	---	---	N/A	N/A	N/A
Enrollment	---	---	---	---	---	---	---	N/A	N/A	N/A
Speech & Hearing Clinic										
Square feet	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	---
Capacity	---	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	---
Enrollment	---	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	---
Support Services Bldg A (1929)										
Square feet	169,000	169,000	169,000	169,000	169,000	169,000	169,000	169,000	169,000	169,000
Capacity	---	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	---	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Support Services Bldg B (1921)										
Square feet	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000
Capacity	---	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	---	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Detroit Public Schools

Summary of Buildings and Sites (Unaudited) (Continued) Last Ten Fiscal Years

School	2016 ⁽¹⁾	2015	2014	2013	2012	2011	2010	2009	2008	2007
Support Services Bldg C (1929)										
Square feet		44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000
Capacity	44,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Westside Bus Terminal (1939)										
Square feet	41,735	41,735	41,735	41,735	41,735	41,735	41,735	41,735	41,735	41,735
Capacity		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Westside Maintenance Hub (1950)										
Square feet	---	34,470	34,470	34,470	34,470	34,470	34,470	34,470	34,470	34,470
Capacity	---	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	---	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL - Non-Instructional										
Total - Square Feet ⁽²⁾		1,221,284	1,221,284	1,221,284	1,218,192	1,162,440	1,360,493	1,269,478	1,229,636	1,237,613
Total - Capacity ⁽³⁾		0	0	0	0	---	---	---	---	---
Total - Enrollment (PK-12) ⁽⁴⁾		0	0	0	0	---	---	---	---	---
GRAND TOTAL										
Total - Square Feet ⁽²⁾		11,279,594	11,279,594	11,279,594	11,635,371	14,895,971	15,911,804	17,721,460	19,784,912	19,836,666
Total - Capacity ⁽³⁾		79,639	79,639	79,612	81,568	109,882	119,322	137,342	155,834	155,934
Total - Enrollment (PK-12) ⁽⁴⁾		49,566	50,799	52,362	52,981	69,927	76,459	87,758	97,356	108,103

Notes:

(1) The enrollment number reflects the ACTUAL Spring 2016 FTE count.

(2) Total gross square footage by school and non-instructional building. Provided by DPSPMT Planning and Programming Department.

(3) The capacity results reflect program capacity of the school. The 2004 through 2010 numbers come from the "School Facility Capacity Report" conducted and prepared by DPSPMT Planning and Programming for DPS' Pupil Population Management Department. The results from 2003 and prior come from District records. The 2016 capacity numbers are subject to change based on new grade configurations and how the spaces are programmed and used.

(4) The enrollment reflects the actual pre-audit number of PK-12 and Special Education students (based on FTEs) resulting from the Official Count Day process.

Detroit Public Schools

Schedule of Major Insurance Coverage (Unaudited) For the Year Ended June 30, 2016

Policy Coverage	Insurance Company		Details of Insurance Coverage	Premium	Insurance Agency/Broker
	Policy Number	Policy Period			
Commercial Property Insurance	Lexington Insurance Company	7/1/15 - 7/1/16	Coverage protects the physical assets of the District-owned buildings, contents, valuable papers and records. Coverage is provided on an all-risk basis, including electronic data and media, fine arts, earth movement and other sub-limits. (EAA Schools billed \$91,638.70 for DPS leased buildings.)	\$ 354,602	Aon Risk Services Inc.
Automobile Liability Insurance	Zurich American Insurance Company	9/1/15 - 9/1/16	Liability coverage for School District's owned vehicles, except for Detroit Public Schools Police Department owned vehicles	\$ 60,415	Aon Risk Services Inc.
Automobile Liability Insurance	Amerisure Mutual Insurance	9/2/15 - 9/2/16	Liability coverage for Detroit Public Schools Police Department owned vehicles only	\$ 174,841	Aon Risk Services Inc.
Student Travel Insurance	AIG/Domestic Accident & Health Division	9/1/15 - 9/1/16	Covers participating students and adult supervisors to and from DPS sponsored and supervised field trips. Covers out-of-state and international trips only.	\$ 5,000	Aon Risk Services Inc.
Underground Storage Tank Liability Insurance	ACE American Insurance Company	9/19/15 - 9/19/16	For Eastside Bus Terminal and Westside Bus Terminal underground storage tanks. Third-Party Liability, Corrective Action, and Cleanup Policy.	\$ 2,490	Aon Risk Services Inc.
Surety Bond	The Hartford	10/19/15 - 10/19/16	For Detroit Public Schools Police Department campus police.	\$ 188	Aon Risk Services Inc.
Aircraft Hull & Liability Insurance	XL Specialty Insurance	11/13/15 - 11/13/16	Liability insurance for Detroit Public Schools owned aircrafts at Davis Aerospace Technical High School at Golightly	\$ 19,925	Aon Risk Services Inc.
Student Castastrophic Athletic Accident Insurance	Gerber Life Insurance Co	12/01/15 - 12/01/16	Covers students involved in interscholastic activities, including athletics sport, and nonsport extracurricular activities.	\$ 20,051	Aon Risk Services Inc.

Source: Detroit Public Schools - Office of Risk Management

Detroit Public Schools

Graduate Information (Unaudited) Last Ten Fiscal Years

<u>School Year</u>	<u>High School</u>	<u>Adult High School Completion</u>	<u>GED Graduates</u>
2006-07	6,460	10	97
2007-08	6,184	25	98
2008-09	5,808	49	137
2009-10	5,105	17	1,013
2010-11	4,066	25	1,142
2011-12	3,909	21	674
2012-13	3,006	10	1,057
2013-14	2,587	10	128
2014-15	2,666	15	14
2015-16	2,782	83*	63

Source: Student Information Services - Detroit Public Schools
Office of Adult Education - Detroit Public Schools
Data for 2015-2016 is not yet available

* 20 students obtained their high school diploma