

Newaygo County Regional Educational Service Agency
Annual Website Report

December 2017

Introduction

The Newaygo County Regional Educational Service Agency (NC RESA) Annual 2017 Website Report provides an opportunity for the NC RESA to communicate with our community and report how we utilize the resources provided to us. Our spending decisions support our commitment to our mission: Newaygo County RESA will provide educational service and support through visionary thinking, innovation, and collaboration. Also reflected in our slogan of **SERVICE—Support Education Responsibly through Visionary, Innovative, and Cooperative Efforts.**

Broad organizational strategic directions direct the work of the NC RESA and provide the framework for departmental planning and initiatives:

- Strategic Direction I Deliver a high-quality system of early childhood services so all preschool age children will enter school developmentally ready to succeed at the time of school entry.
- Strategic Direction II Develop and deliver programs and services to support and enhance birth to grade 14 education so all learners will demonstrate Career and College Readiness.
- Strategic Direction III Support collaborative efforts to provide innovative systems and services for on demand teaching, learning and collaboration to maximize capacity and efficiency.

NC RESA partners with other service and educational agencies throughout West Michigan to maximize our impact and promote effective use of resources. The NC RESA is governed by a local school board selected by constituent district boards of education.

If you simply review the data in this report you have just scratched the surface of the services provided by the NC RESA. We invite you to learn more by visiting our website at www.ncresa.org. We encourage you to visit the website pages of our Early Childhood, Career-Tech Special Education, Student Services and Staff Services. If you have further questions, please direct your questions to Dr. Lori Tubbergen Clark, NC RESA Superintendent at 231-924-8854 or e-mail lclark@ncresa.org.

Overview

Michigan Public Act 413 of 2004 amended the *Revised School Code* by adding section 620, which requires each intermediate school district to post information on its website by December 31 of each year beginning in 2006. The following is a list of the information that is required to be included in the report with adjusted base amounts:

- a. General Information – budget, pupils, employees, constituent districts and schools
- b. Travel Information – for school board members or administrators in excess of \$3,906
- c. Contracts – in excess of \$100,000, not competitively bid in excess of \$25,000 or one in which a board member, administrator or family member of either had a known monetary interest
- d. Contract Modifications – modifications made to contracts reported in item c. above
- e. Employee Compensation – total annual monetary value for employees in top 3%
- f. Fiber Optic or Cable Equipment and Operating System Software for Fiber Optic/Cable Equipment Network – total costs and sources
- g. Public Relations, Polling, Lobbying and Legal – payments to non-employees
- h. IRS Tax Form 1099's – issued to non-employees paid in excess of \$25,000
- i. Certain ISD Expenditures – amount and percentage of administrative, public relations, polling, lobbying and legal services
- j. Motor Vehicles – list and purpose of vehicles weighing 7500 pounds or less owned or leased

A. General Information (620(1)(a); 620(10)(c)

The NC RESA provides support for all public and non-public schools that operate within Newaygo County. There are 56 Intermediate School Districts (ISDs) or Regional Educational Service Agencies (RESAs) in the State of Michigan – no two are exactly alike. Each ISD/RESA gears its services to the specific needs of its constituent school districts. These services may include educational leadership, monitoring, and a variety of programs and services in the areas of general education, career and technical education, special education, technology and business. The following provides a list of some of the programs/services that represent the strategies NC RESA divisions use to realize the strategic directions listed in the Introduction:

Early Childhood Education – Parents as Teachers, Great Parents/Great Start & Great Start Collaborative, Preschool Classrooms, Great Start Readiness Program, Early On

Learning Services – Curriculum & Professional Development, Advanced & Accelerated Programs, School Improvement, College Dual Enrollment Classes

Special Education Services – Ancillary Services Speech/Occupational/Physical Therapy, School Psychology & Social Work, Autism Consultant, Special Education Classrooms, Transition Services, Monitoring and Compliance

Career-Tech Services – 14 Career Center Programs, Career Development, Work Study, Summer Internship Program, Job Survivor, NCCTC Follow-up and Job Placement

Technology Services - Newaygo County Advanced Technology Services (data, voice, and video), Internet Service Provider (ISP) – Dial-in & High-Speed Wireless Internet, Technical Support and Service

Pupil FTE's (Full Time Equivalent)

NC RESA provides services to the Big Jackson, Fremont, Grant, Hesperia, Newaygo, and White Cloud public school districts. The total number of (K-12) student FTE's enrolled in the NC RESA service area is 7,723.

Constituent Districts, Public School Academies, Non-public Schools

Most of the students within the NC RESA service area attend six constituent public school districts (Big Jackson, Fremont, Grant, Hesperia, Newaygo, and White Cloud). In addition, there are three (Cornerstone, Grant and Fremont Christian) non-public schools within the NC RESA service area that are registered with the Michigan Department of Education.

NC RESA Employees

The employees of the NC RESA are qualified professionals committed to the mission and exhibit a commitment to excellence and efficiency. NC RESA staff includes:

- Early Childhood, Career-Tech and Special Education teachers and assistants
- Special Education ancillary staff including psychologists, speech therapists, occupational therapists, physical therapists, social workers, autism consultants and other specialized personnel
- Curriculum and professional development consultants
- Technology support staff
- Maintenance and custodial staff
- Secretarial and administrative assistants
- Substitute teachers and assistants
- Administrative staff and program specialists
- Employment services specialists

The total number of people employed by NC RESA is 317.

2016-2017 Revenues, Expenditures and Total Dollars Distributed

During the 2016-2017 school year, the NC RESA received \$24,123,190 from multiple sources to be used to accomplish state-mandated obligations and provide services to the local school districts. The NC RESA expended \$22,721,425, within the parameters of its budget approved by the Board of Education. As a part of the total expenditures the NC RESA distributed \$1,960,828 to local school districts and other local organizations to help pay for locally operated programs and services.

B. Travel Information (620(1)(b); 620(2); 620(9))

The NC RESA mission encourages staff to seek out best practices, gain broad educational perspectives, and gain knowledge that reflects the latest trends, innovations, and challenges. NC RESA staff members train and guide local teachers, principals, and other school staff who interact with about 8,000 students attending our public and non-public schools. Maintaining this level of expertise requires travel to conferences and trainings. Most leadership and consultant positions at the NC RESA require travel, both within the area and throughout Michigan. The NC RESA ensures accountability through school board approval of all out-of-state travel.

During the 2016-2017 school year, no NC RESA board member or administrators incurred more than \$3,906 in travel expenses (including airfare, lodging, car rental and meals).

C. Contract Information (620(1)(c); 620(3), 620(5), 620(10)(a)(b))

NC RESA Guidelines for Competitive Bids

Each year the State of Michigan Department of Education defines what expenditures for remodeling, procurement of supplies, materials, and equipment must be competitively bid

by school districts. Sections 623a, 1267, and 1274 of the *Revised School Code* establish a base above which competitive bids must be obtained and provide for an increase in the base that corresponds with increases in the Consumer Price Index. For the 2016-2017 fiscal year, all expenditures covered by Section 1267 that exceeded \$23,230 and all expenditures covered under Sections 623a and 1274 that exceeded \$23,230 were required to be competitively bid.

How Competitive Bids Work:

When an item is competitively bid, a Request for Proposal (RFP) is created that includes detailed bid specifications and a deadline to submit a proposal. Proposal request forms are available in the NC RESA Business Office and the RFP is advertised in the local newspapers and posted on the NC RESA and State of Michigan websites.

The NC RESA practices and policy for purchases in compliance with the limits set by the State of Michigan Department of Education is as follows:

For purchases expected to exceed \$23,230 at least three competitive bids from qualified vendors are required. The results of the bidding process along with an administrative recommendation to purchase are presented to the Board of Education for approval. The Board of Education acts in the best interest of NC RESA in awarding the bid. Whenever possible, local vendors are given an opportunity to participate in the competitive bid process.

The following is a list of contracts, signed by the NC RESA Superintendent, in excess of \$100,000 that was competitively bid and in place during the 2016-2017 school fiscal year.

- GRBS was contracted to provide cleaning services. The amount paid throughout the 2016-2017 school fiscal year was \$182,304.00.

- Owens-Ames-Kimball Co. was contracted to provide general management of a building remodeling project. The amount paid throughout the 2016-2017 school fiscal year was \$294,484.92.

The following is a list of contracts, signed by the NC RESA Superintendent, not competitively bid in excess of \$25,000 with agencies that provided specialized services.

NC RESA staff did receive an hourly price quote that was compared to quotes sought and received from comparative service providers:

- BMA Architects, PC was contracted to provide architectural services. The amount paid throughout the 2016-2017 school fiscal year was \$66,996.00.
- John's Hopkins was contracted to provide technology and professional development services for Kindergarten Readiness Assessment (KRA). The amount paid throughout the 2016-2017 school fiscal year was \$138,750.00
- Michigan State University was contracted to provide Advising Corps advisers. The amount paid throughout the 2016-2017 school fiscal year was \$65,200.
- PCMI West was contracted to provide various positions Agency wide. The amount paid throughout the 2016-2017 school fiscal year was \$675,508.84.
- PESG, LLC was contracted to provide substitute teachers and paraprofessionals in both Career Tech and Special Education classrooms. The amount paid throughout the 2016-2017 school fiscal year was \$48,732.99.
- Revel was contracted to provide advertising and marketing services. The amount paid throughout the 2016-2017 school fiscal year was \$26,845.00.
- Silver Strong & Associates LLC was contracted to provide professional development services. The amount paid throughout the 2016-2017 school fiscal year was \$33,025.00.

- Sunbelt Staffing was contracted to provide services to families in the Newaygo County area as part of the special education programs. The amount paid throughout the 2016-2017 school fiscal year was \$65,169.66.
- West Shore Community College was contracted to provide instruction services to Newaygo County Career & Technical Service students in Health Occupations program as well as tuition for Criminal Justice, Business and transcribed credits for the 2016-2017 school year. The amount paid throughout the 2016-2017 school fiscal year was \$65,125.00.

The preceding list is exclusive of individuals reported receiving an IRS Form 1099 in Section H of this document. The NC RESA has not entered into a contract with an entity in which a board member, administrator or family member of either had a known monetary interest.

D. Contract Modification Information (620(1)(d); 620(3))

During the 2016-2017 fiscal year there were no requests for modifications to contracts awarded by the NC RESA.

E. Salary, Expense Account, and Supplemental Compensation Information (620(1)(e); 620(4))

All employees of the NC RESA are classified by position. All classifications are established according to the demands of the position, level of responsibility, job functions performed, credentials and skills. Each classification falls into at least one established salary schedule, which takes into account such factors as seniority in position or in similar positions, comparison to similar jobs elsewhere in the community or comparable RESA

organizations, cost of living factors, etc. Employees whose compensation packages including reimbursed expenses are within the top 3% of the agency salaries are listed on the following pages. These individuals and others of the leadership team are responsible for the operation of the NC RESA. They supervise 317 staff and manage a budget in excess of \$20 million that funds programs and services at 20 sites serving more than 70,000 customers.

POSITION	SALARY	EXP ACCT	REIMB EXP	SUPPL COMP
SUPERINTENDENT	\$ 143,644.48	\$ 2,250.00	\$ 1,500.00	\$ 19,522.75
EXEC. DIR. OF TECHNOLOGY	\$ 111,215.25	\$ 2,250.00	\$ - 0 -	\$ 11,583.60
EXEC. DIR. OF INTERV. & PREV.	\$ 111,215.25	\$ 2,250.00	\$ - 0 -	\$ 672.23
EXEC. DIR. OF BUSINESS SERV.	\$ 107,957.00	\$ 2,250.00	\$ - 0 -	\$ 3,371.18
EXEC. DIR. OF LEARNING SERV.	\$ 101,001.00	\$ 2,250.00	\$ - 0 -	\$ 5,934.85
DIR. OF SPECIAL ED. SERV.	\$ 99,092.00	\$ 2,250.00	\$ - 0 -	\$ - 0 -
SPECIAL ED. SUPERVISOR	\$ 86,006.00	\$ 2,250.00	\$ - 0 -	\$ - 0 -
DIR. OF CAREER & EMPLOY. /CEPD	\$ 81,000.00	\$ 1,125.00	\$ - 0 -	\$ 4,000.00
PSYCHOLOGIST	\$ 81,819.53	\$ - 0 -	\$ - 0 -	\$ 4,000.00
PHYSICAL THERAPIST	\$ 80,384.82	\$ - 0 -	\$ - 0 -	\$ 4,000.00

F. Fiber Optic/Cable Equipment and Operating System Software for Fiber Optic/Cable Equipment Networks (620(1)(f))

NC RESA supports technology through the Newaygo County Advanced Technology Services (NCATS). NCATS oversees, operates, and maintains over 65 miles of backbone fiber optic cable that connects all five cities within Newaygo County. This cable is used to support voice, video, and data networks. In addition to the backbone, an additional 15 miles of fiber is maintained that links all educational buildings of each local school district, several city government buildings and fire departments, the Newaygo County administrative complex, Community Mental Health, the Fremont Area Community Foundation, and 65 wireless telecommunication towers. This fiber network was originally constructed in 1995 and funded through local foundation grants. No funds from general, special or vocational education funds were used to establish the network.

Expenses Related to Fiber Repair:

Moves, changes, and damage to Consumers Energy utility poles resulted in expenses to the NC RESA in the amount of \$8,783.56 during the 2016-2017 fiscal year. A portion of these costs are divided by six (6) and charged back to the five local public school districts. In addition, repairs for breakage due to shot guns, vehicle accidents, and/or farm machinery are repaired and billed back to the offending party if possible. Turn-Key Systems was paid \$6,375 for fiber optic repair services during fiscal year 2016-2017. Hardware that supports the data, voice, or video traffic (routers, switches, and hubs) is the responsibility of NC RESA and each local district or partner. The NC RESA may, on occasion, purchase replacement hardware and bill local districts for the cost. Hardware that supports the internal NC RESA network is replaced and paid for by NCATS. Monthly billings by NCATS recover these expenses from the department, local district, or partner requesting or needing the hardware. For 2016-2017 school year NCATS purchased \$28,470 of hardware for replacement or repair. Vendors providing hardware were Avalon Technologies.

Expenses for Software:

All of the NC RESA servers used to support the network services running across the fiber use Microsoft Server 2008/2012. This software is purchased from the State of Michigan REMC bid list. During the 2016-2017 fiscal year, the contract was held by CDW-G. This contract allows the NC RESA to purchase most Microsoft software at 10% of commercial rates (90% discount). The cost of the server software purchased was approximately \$1,439.26. This amount does not include the software that supports the individual desktop/laptop computers within the district or application software running on the fiber optic network. Vendors providing software were CDW, IBM, and Microsoft.

Total Fiber Optic Expenditures

During the 2016-2017 school year the total amount expended to maintain the fiber optic network was \$6,375. All expenses were paid through the NCATS Enterprise Fund.

G. Public Relations, Polling, Lobbying, and Legal Services (620(1)(g))

The 56 ISDs/RESAs were created by the legislature in 1962 to bring about quality and equitable educational opportunities to students and schools throughout the State. Public education is funded and regulated by the state and federal government. It is necessary to fund activities that promote public accountability, research, and government communications. Since it is publicly funded, the NC RESA is responsible for communicating available programs and services to the schools and community.

Public Relations

In the course of serving customers it is necessary to advertise a program or publish notices of public meetings, competitive bids and advertise employment openings. During

the 2016-2017 school year NC RESA incurred costs and paid invoices for advertising, promotion and public relations as follows:

- Times Indicator - \$5,053.29
- Hi Lites - \$2,364.10
- Cronk's Hardware - \$53.40
- Fremont Ace Hardware - \$164.23
- Ludington Daily News - \$128.46
- Bill's Shop-N-Save - \$66.99
- Fifth Third Bank - \$1,783.17
- Dogwood Center Performing - \$430.00
- Integrity Business Solutions - \$14.97
- Pro Build - \$1,244.95
- Fremont Area Chamber of Commerce - \$60.00
- Grant High School - \$300.00
- Muskegon Area ISD - \$1,000.00
- Newaygo High School - \$350.00
- Awards & More - \$225.00
- Crossroads Outdoor - \$4,250
- Haveman Hardware - \$14.47
- Hi-Tech Fasteners - \$98.64
- Lakeshore Regional Entity - \$100.00
- Murray Lumber & Supply - \$503.88
- Near North Now - \$100.00
- Outfront Media - \$4,350.00

- The Pioneer Group - \$225.00
- Revel - \$26,845.00
- YP - \$726.00

Polling and Lobbying Services

During the 2016-2017 school year the NC RESA paid the following in lobbying costs:

School Equity Caucus - Ck#90010 – Ck Date 7/6/2016 \$4,181.00.

Legal Fees

Like any company, legal advice and representation are required in the normal course of business. Legal counsel is often used as contractual documents are being drafted and reviewed, in contracting personnel, addressing human resource matters, protecting NC RESA property, and assuring compliance with the laws of Michigan. Many of the issues that require the need for legal counsel are areas that are highly specialized, and directly related to education statutes. These specialized areas of expertise often fall outside of the expertise of local general law practitioners.

In the 2016-2017 school fiscal year the NC RESA incurred and paid invoices for legal fees as follows:

- Clark Hill Law Office - \$15,677.50
- LaPointe & Associates - \$1,500.00
- Thrun Law Firm PC - \$175.00

These fees were incurred at the direction of the superintendent and in accordance with the policies of the NC RESA.

<p><u>H. IRS Tax Form 1099's In Excess of \$25,000 (620 (1)(h))</u></p>
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Cost savings can often be realized by contracting with individuals for limited, specialized

projects. For calendar year 2017, the NC RESA issued no IRS Form-1099M for services that exceeded \$25,000.

I. Certain ISD Expenditures (620(1)(i))

In 2016-2017 NC RESA administrative expenses totaled \$914,473.18. These costs accounted for 4.02% of the total NC RESA expenses. In addition, during the 2016-2017 school year, NC RESA expenses for public relations, polling, lobbying, and legal services totaled \$71,985.05. These costs accounted for .32% of the total NC RESA expenditures.

J. Motor Vehicle Expenses (620(1)(j))

The NC RESA serves multiple school districts and operates programs across Newaygo County and throughout West Michigan. Therefore, it is more efficient and cost effective to provide vehicles for specific transportation needs. The NC RESA owns and maintains a 2010 Dodge Grand Caravan minivan, a 2009 Dodge Grand Caravan minivan, a 2002 Chevy Monte Carlo, a 2007 Chevy Uplander van, a 2003 Chrysler Town and Country minivan, and a 2015 Chevy Express Cargo 2500 van to aid our employees in operating programs and providing services at 20 sites within the county and across the region. These vehicles are used to transport students for work study, community-based instruction and for NC RESA staff use for work related activities. The NC RESA also owns and maintains two 2002 Dodge Ram 1500 cargo vans, a 2015 Ford F-250 4 x 4 pick-up truck, a 2003 Ford 550 Super Duty truck, a 2001 Dodge Ram 250 pick-up truck, 2012 Ford F-250 4x4 pick-up truck, a 1999 Chevy Astro van, a 2000 Chevy S-10 small pick-up truck, a 2014 Ford E250 Cargo Van, a 2016 Ford F-150, and a 2017 Ford F-150. These vehicles are used to transport large packages, supplies, paper, maintenance and technology equipment/ materials between the NC RESA campus in Fremont and other NC RESA sites

and constituent districts: Big Jackson, Fremont, Grant, Hesperia, Newaygo, and White Cloud.