

41-4-240



STATE OF MICHIGAN
John Engler, Governor

DEPARTMENT OF TREASURY
Douglas B. Roberts, State Treasurer



MICHIGAN
DEPARTMENT OF
TREASURY

August 17, 2001

Mr. Ronald L. Archer, Assistant Superintendent
Sparta Area Schools
465 S. Union Street
Sparta, Michigan 49345

Dear Mr. Archer:

Thank you for your recent letter regarding the School Code Sinking fund requirements. You are requesting an opinion regarding whether specific expenditures comply with the restrictions in Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the items listed in your correspondence dated July 11, 2001 meet the requirements of the act.

If I can assist further let me know.

Sincerely,

Mark A. Hilpert
Mark A. Hilpert, Director
Bureau of Local Government Services

Attachment

SPARTA AREA SCHOOLS

465 S. UNION STREET / SPARTA, MICHIGAN 49345 / (616) 887-8253 / FAX (616) 887-9958



RANDY NEELIS
Superintendent

RONALD L. ARCHER
Assistant Superintendent

MARIALYCE ZEERIP
Director, District Communications

July 11, 2001

Mark A. Hilpert, Director
Bureau of Local Government Services
State of Michigan
Department of Treasury
Treasury Building
Lansing MI 48922

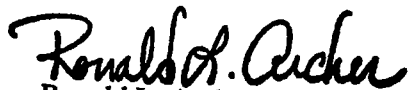
Dear Mr. Hilpert:

In your letter to Mr. Pat Berardo dated June 28, 2000 concerning our Sinking Fund projects, you stated that central air conditioning is an acceptable expenditure. The question we have is regarding the definition for central air conditioning. Can you air condition one room if you use a ducted system rather than a window unit air conditioner?

We are air conditioning computer labs, and we have one that is isolated from the others and will require a single room unit. We are planning on using a ducted system, but questioned that issue before spending Sinking Fund money on this system.

Your help is needed to define if we are with in the scope of central air conditioning with our plan.

Sincerely,


Ronald L. Archer
Assistant Superintendent

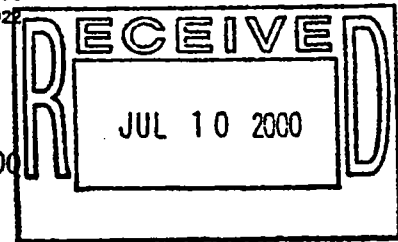
RLA/tko

Enclosure

STATE OF MICHIGAN



JOHN ENGLER, Governor
DEPARTMENT OF TREASURY
TREASURY BUILDING, LANSING, MICHIGAN 48922
MARK A. MURRAY, State Treasurer



June 28, 2000

Mr. Patrick J. Berardo
Thrun, Maatsch and Nordberg
P.O. Box 40699
Lansing, Michigan 48901-7899

Dear Mr. Berardo:

Thank you for your recent letter on behalf of Sparta Area Schools regarding the School Code Sinking fund requirements. You are requesting an opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the attached project list/letter, dated June 16, 2000, appears to meet the requirements of the act, with the following exceptions:

- ✓ Playground equipment – A playground structure is an acceptable use of sinking fund money, but playground equipment is not. A playground structure includes structures that require design work; site preparation; an estimated life of at least 20 years; are built in compliance with federal guidelines; are constructed (not portable or snap together); and are intended to be a permanent structure. This will *not* include equipment that is used as a part of the structure, such as swings, slides, ropes, nets and rubber or other items that are detachable and/or must be replaced on a regular basis. Single pieces of equipment, even if permanently attached to the ground, such as swing sets, slides, merry-go-rounds and teeter totters, are not considered to be a structure, but are equipment.
- ✓ Room dividers – Permanent walls dividing the rooms is acceptable, but temporary or movable (i.e. accordion style) are not allowable expenditures from sinking funds.
- ✓ Air conditioning – Central air conditioning is acceptable, but room air conditioners are considered to be equipment and are not an acceptable use of sinking fund money.

If I can assist further let me know.

Sincerely,

Mark A. Hilpert, Director
Bureau of Local Government Services

Attachment

STATE OF MICHIGAN



JOHN ENGLER, Governor
DEPARTMENT OF TREASURY
TREASURY BUILDING, LANSING, MICHIGAN 48922
MARK A. MURRAY, State Treasurer

45-4050

September 8, 2000

Mr. Robert M. Thrun
Thrun, Maatsch and Nordberg
P.O. Box 40699
Lansing, Michigan 48901

Dear Mr. Thrun:

Thank you for your recent letter on behalf of Suttons Bay Public Schools regarding the School Code Sinking fund requirements. You are requesting an opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the attached project list/letter, dated August 2, 2000, appears to meet the requirements of the act.

If I can assist further let me know.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark A. Hilpert'.

Mark A. Hilpert, Director
Bureau of Local Government Services

Attachment

cc: Robert MacEachran, Superintendent; Suttons Bay Public Schools

THRUN, MAATSCH AND NORDBERG, P.C.

ATTORNEYS AND COUNSELORS AT LAW

SUITE 500, 501 SOUTH CAPITOL AVENUE

P.O. BOX 40699

LANSING, MI 48901-7899

(517) 484-8000

ROBERT M. THRUN
PATRICK J. BERARDO
JOE D. MOSIER
DONALD J. BONATO
G. MICHAEL WHITE
MICHAEL A. ESCHELBACH
KEVIN S. MARTY
MICHAEL B. FARRELL
GORDON W. VAN WIJEN, JR.
BEVERLY J. BONNING
MARTHA J. MARCERO

C. GEORGE JOHNSON
LISA L. SWEM
JEFFREY J. SOLES
TIMOTHY R. WINSHIP
ROY H. HENLEY
ROBERT G. HUBER
MICHAEL D. GRESENS
CHRISTOPHER J. IANARINO
RAYMOND M. DAVIS
GRANT T. PECOR

FRED M. THRUN
1896-1970
CAROLINE W. THRUN
1897-1953

OF COUNSEL
JAMES T. MAATSCH
DAVID OLMSTEAD

FAX: (517) 484-0041
FAX: (517) 484-0081
FAX: (517) 484-0019

RECEIVED
MAY 11 2000

AUG 03 2000

LOCAL GOVERNMENT & FINANCE DIV

August 2, 2000

HAND DELIVERY

Ms. Linda Rairigh
Department of Treasury
Municipal Finance Division
Fourth Floor, Treasury Building
Lansing, Michigan 48922

Re: Use of Building and Site Sinking Fund Monies - Suttons Bay Public Schools

Dear Linda:

My client, Suttons Bay Public Schools, is requesting the voters approve a building and site sinking fund at a September 2000 election. The District has asked me to seek review and approval of Treasury of the following projects proposed to be funded from the building and site sinking fund tax collections:

1. Fencing to enclose the existing athletic field;
2. A bus repair building consisting of a cinder block building in which buses will be serviced and repaired;
3. Paving of the bus parking lot;
4. Resurfacing (not maintenance) of the running track;
5. A bus shelter or enclosure for indoor bus storage;
6. A concrete block storage building on the back side of the bus storage building for the purposes of storing athletic equipment;
7. Removal and replacement of a gym floor where the floor has been sagging under the weight of the bleachers and it is necessary to re-enforce and replace the floor; and
8. Bleachers that are permanent bleachers affixed to the athletic site.

Ms. Linda Rairigh
August 2, 2000
Page 2

THRUN, MAATSCH AND NORDBERG, P. C.

If you have any additional questions, please do not hesitate to contact me.

Very truly yours,

Thrun, Maatsch and Nordberg, P.C.


Robert M. Thrun
(517) 374-8870

RMT:jjt

cc: Mr. Robert MacEachran, Superintendent



46-4-40

JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

JAY B. RISING
STATE TREASURER

February 24, 2003

Mr. Paul F. Palka, Superintendent
Blissfield Community Schools
630 South Lane Street
Blissfield, Michigan 49228

Dear Mr. Palka:

Thank you for your letter regarding the School Code sinking fund requirements. You are requesting an opinion regarding whether specific expenditures comply with the restrictions in Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the item listed in your correspondence dated November 19, 2002, does not meet the requirements of the act.

If I can assist further let me know.

Sincerely,

Frederick Headen, Director
Bureau of Local Government Services

Enclosure



PAUL F. PALKA, ED. SPEC.
SUPERINTENDENT OF SCHOOLS
PHONE (517) 486-2205
FAX (517) 486-5701
North Central Association K - 12

November 19, 2002

State of Michigan
Department of Treasury
Lansing, Michigan 48922
Attention: Mr. Mark Hilpert, Director
Bureau of Local Government Services

Dear Mr. Hilpert;

I would like to request your opinion regarding a specific expenditure for use from our Building and Site Sinking Fund. The item in question is a high temperature conveyor dishwasher for our elementary school cafeteria. The elementary building was built in 1964 and the dishwasher is original equipment, non functional, and impossible to obtain parts for repairs.

The dishwasher is a permanent mount, with water lines, drains, sewer connections, all with fixed connections to walls and the floor. The price is \$14,000.00 plus a booster heater for an additional \$ 2,000.00.

Thanking you in advance for your time and consideration regarding this matter.

Sincerely,

Paul F. Palka, Superintendent
Blissfield Community Schools

Cc Dan Garno
Jim Sharp
Charlene Horkey

46-4-040



STATE OF MICHIGAN

DEPARTMENT OF TREASURY

TREASURY BUILDING

LANSING, MICHIGAN 48922

JOHN ENGLER, Governor
DOUGLAS B. ROBERTS, State Treasurer

February 6, 1996

Mr. Paul F. Palka, Superintendent
Blissfield Community Schools
630 S. Lane St.
Blissfield, Michigan 49228

Dear Palka:

Thank you for your recent letter regarding the School Code Sinking Fund requirements. Pursuant to Department of Treasury Letter No. 01-95, you are requesting an opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the attached project list, dated January 11, 1996, appears to meet the requirements of both the act and the numbered letter, with the following clarification: Building and Site Sinking Funds can be used for wiring or materials used for installation, but may not be used for equipment.

If I can assist further, let me know.

Sincerely,

Mark A. Hilpert
Mark A. Hilpert
Deputy State Treasurer

Attachment

BLISSFIELD COMMUNITY SCHOOLS

630 S. LANE ST.

BLISSFIELD, MICHIGAN 49228

NORTH CENTRAL ASSOCIATION K-12

MICHIGAN ACCREDITATION PROGRAM K-12

PAUL F. PALKA, Ed.Spec.
SUPERINTENDENT OF SCHOOLS
PHONE (517) 486-2205

David Thompson
High School Principal
Phone 486-2148

Norman Napier, Jr.
High School Adm'n. Asst.
Phone 486-2148

Bette Kohler
Middle School Adm'n. Asst.
Phone 486-4420

Harold Schankin
Elementary Principal
Phone 486-2811

Pat Giersoaks
Elementary Adm'n. Asst.
Phone 486-2811

January 11, 1996

State of Michigan
Department of Treasury
Treasury Building
Lansing, Michigan 48922

RECEIVED
DEPT. OF TREASURY

JAN 17 1996

LOCAL AUDIT & FINANCE DIV

Dear Linda:

As per our telephone conversation on 1/10/96, I am requesting interpretation of the School Code Sinking Fund requirements.

The Blissfield Community Schools District passed a five year, 1.75 Sinking Fund millage in June 1995. The following are repairs and improvements that will be made in the future:

- 1. Replacement of a leaking roof at the middle school.**
- 2. Repair and replacement of a inadequate and malfunctioning storm sewer.**
- 3. Repair of sinking or collapsing catch basins in our driveways and parking area for buses and equipment.**
- 4. Repair of deteriorating playgrounds and sidewalks.**

Additionally, but separate from Sinking Fund monies, Blissfield Schools has been adding technology through donations, gifts, general fund budget and a one time millage levy. As a result, our phone system has become inadequate. Needed are telephones that have cabling capability to connect to modems and also outside line access. Additional telephone lines are needed as complaints are constant that the public has a hard time calling individual buildings.

The telephone system is old, outdated and needs replacing.

The question needing to be answered is, can Blissfield Schools upgrade or replace the existing telephone system using Building and Site Sinking Funds?

Your attention to this matter will be greatly appreciated.

Sincerely,

Paul F. Palka
Paul F. Palka, Superintendent

PFP/mlm

46-4-040

STATE OF MICHIGAN



JOHN ENGLER, Governor
DEPARTMENT OF TREASURY
TREASURY BUILDING, LANSING, MICHIGAN 48922
MARK A. MURRAY, State Treasurer

October 13, 2000

Mr. Paul F. Palka, Superintendent
Blissfield Community Schools
630 South Lane Street
Blissfield, Michigan 49228

Dear Mr. Palka:

Thank you for your recent letters regarding the School Code Sinking fund requirements. You are requesting an opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the attached project lists/letters, dated September 5, 2000 and September 13, 2000, appear to meet the requirements of the act, with the following exception and clarification:

- ✓ Labor can be paid from sinking fund money if the labor is not provided by school district employees while they are being paid for performing their usual school functions.
- ✓ "... replacement equipment, ovens, larger walk-in cooler, large mixer, etc" have been determined to be equipment and are not an authorized expenditure from sinking fund money.

If I can assist further let me know.

Sincerely,

Mark A. Hilpert, Director
Bureau of Local Government Services

Attachment

BLISSFIELD COMMUNITY SCHOOLS

630 South Lane Street
Blissfield, Michigan 49228

PAUL F. PALKA, ED.SPEC.
SUPERINTENDENT OF SCHOOLS
PHONE (517) 486-2205
FAX (517) 486-5701

North Central Association K-1
Michigan Accreditation Program K-1

September 5, 2000

Mr. Mark Hilpert, Director
Department of Treasury
State of Michigan
Treasury Building
Lansing, MI 48922

Dear Mr. Hilpert:

Blissfield School is renovating the girl's softball field. The old wooden bleachers are being replaced with aluminum bleachers that will set on concrete and will be permanently mounted. Ramps will be part of the project.

Is it permissible for the concrete and labor to be used from the Sinking Fund?

Your opinion would be appreciated.

Sincerely,



Paul F. Palka, Superintendent
Blissfield Community Schools

PPF/sag

BLISSFIELD COMMUNITY SCHOOLS

630 South Lane Street
Blissfield, Michigan 49228

PAUL F. PALKA, ED.SPEC.
SUPERINTENDENT OF SCHOOLS
PHONE (517) 486-2205
FAX (517) 486-5701

North Central Association K-12
Michigan Accreditation Program K-12

September 13, 2000

Mr. Mark Hilpert, Director
Department of Treasury
State of Michigan
Treasury Building
Lansing, MI 48922

Dear Mr. Hilpert:

Regarding the use of Building and Site Sinking Fund monies, Blissfield Community Schools is requesting opinions concerning the following:

1. Renovating restrooms and locker rooms within the high school that have the original fixtures, plumbing, wiring, partitions all in need of repair. The building was built in 1957.
2. Grades K, 1, and 2 have classroom restrooms that are also in need of fixtures, updating re-wiring etc. which have been in service since 1964.
3. Enlarging and renovating the high school cafeteria and food preparation area. The food preparation area is the main area for food preparation for three buildings. Included in those needs are electrical re-wiring, replacement equipment, ovens, larger walk-in cooler, large mixer, etc. These are again the originals since the building was built. In addition, a larger storage area is needed.

Your opinion on these inquiries would be appreciated.

Sincerely,



Paul F. Palka, Superintendent
Blissfield Community Schools

PFP/sag

46-4-040



STATE OF MICHIGAN
John Engler, Governor

DEPARTMENT OF TREASURY
Douglas B. Roberts, State Treasurer



MICHIGAN
DEPARTMENT OF
TREASURY

October 26, 2001

Mr. Paul F. Palka, Superintendent
Blissfield Community Schools
630 South Lane Street
Blissfield, Michigan 49228

Dear Mr. Palka:

Thank you for your recent letter regarding the School Code Sinking fund requirements. You are requesting an opinion regarding whether specific expenditures comply with the restrictions in Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the items listed in your correspondence dated October 15, 2001, does not meet the requirements of the Act. Compressors have been determined to be equipment and are not allowable use of sinking funds.

If I can assist further let me know.

Sincerely,

Mark A. Hilpert
Mark A. Hilpert, Director
Bureau of Local Government Services

Attachment

BLISSFIELD COMMUNITY SCHOOLS

630 South Lane Street
Blissfield, Michigan 49228

PAUL F. PALKA, ED.SPEC.
SUPERINTENDENT OF SCHOOLS
PHONE (517) 486-2205
FAX (517) 486-5701

North Central Association K-12
Michigan Accreditation Program K-12

October 15, 2001

RECEIVED
DEPT. OF TREASURY

OCT 19 2001

State Of Michigan
Department of Treasury
Lansing, MI 48922
Attn: Mark Hilpert, Director

LOCAL AUDIT & FINANCE DIV.

Dear Mr. Hilpert;

Regarding School Code Sinking Fund requirements, Blissfield Community School is requesting an opinion concerning the following:

An Air Volume Control Compressor

The school building was constructed in 1957, has two steam boilers and the air volume control compressor forces air into individual rooms – estimated price \$6,000.

Any questions, please contact me.

Sincerely,



Paul F. Palka, Superintendent
Blissfield Community Schools

PPF/sag

46-4040

STATE OF MICHIGAN



JOHN ENGLER, Governor
DEPARTMENT OF TREASURY
TREASURY BUILDING, LANSING, MICHIGAN 48922
MARK A. MURRAY, State Treasurer

December 2, 1999

Mr. Paul F. Palka, Superintendent
Blissfield Community Schools
630 S. Lane St.
Blissfield, Michigan 49228

Dear Mr. Palka:

Thank you for your recent letter regarding the School Code Sinking Fund requirements. Pursuant to Department of Treasury Letter No. 01—95, you are requesting an opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the attached project list/letter, dated November 1, 1999, appears to meet the requirements of both the act and the numbered letter *with the following exceptions*:

- B) Scoreboards have been determined to be equipment and are not authorized expenditures from sinking fund money.
- G) Basketball backboards and attachments are equipment and are also not authorized expenditures from a sinking fund.
- H) Divider curtains have not been authorized for purchase from sinking fund money and have been determined to be furnishing and equipping.

If I can assist further let me know.

Sincerely,

Mark Hilpert, Director
Bureau of Local Government Services

Attachment

BLISSFIELD COMMUNITY SCHOOLS

630 S. LANE ST.

BLISSFIELD, MICHIGAN 49228
NORTH CENTRAL ASSOCIATION K-12
MICHIGAN ACCREDITATION PROGRAM K-12

PAUL F. PALKA, Ed.SPEC.
SUPERINTENDENT OF SCHOOLS
PHONE (517) 486-2205
FAX (517) 486-5701

Jerry Johnson
High School Principal
Phone 486-2148

Norman Napier, Jr.
High School Admin. Asst.
Phone 486-2148

Bette Kohler
Middle School Principal
Phone 486-4420

Patricia Gierwonka
Elementary Principal
Phone 486-2811

Gary Sullivan
Elementary Admin. Asst.
Phone 486-2811

November 1, 1999

Ms. Linda Rairigh
Department of Treasury
State of Michigan
Treasury Building
Lansing, Michigan 48922

RECEIVED
DEPT. OF TREASURY
NOV 6 5 1999
LOCAL ADMIN. SERVICES

Dear Ms. Rairigh:

Regarding School Code Sinking Fund requirements, Blissfield School is requesting opinions concerning the following:

- A) Re-keying the 42-year old high school, both interior and exterior, to bring in line with safety concerns.
- B) Replacing a manual scoreboard on the girls softball field, which is totally non-functional, with a basic electric scoreboard.
- C) Running of electricity to the scoreboard which has no electricity anywhere in the area.
- D) Installing a warning track (safety) around the outfield fence of the softball field.
- E) Installing an underground water line to the softball field in order to have drinking water and provide a system of watering the field when necessary.
- F) Cafeteria tables that fold into the wall and the locking units that secure them within the wall.
- G) Safety locking devices for basketball backboards.
- H) Divider curtains that separate cafeteria.

Your opinion, on these inquiries, would be appreciated.

Sincerely,



Paul F. Palka
Superintendent

PFP/mlm

48-4-040

STATE OF MICHIGAN



JOHN ENGLER, Governor
DEPARTMENT OF TREASURY
TREASURY BUILDING, LANSING, MICHIGAN 48922
MARK A. MURRAY, State Treasurer

September 8, 2000

Ms. Lillian J. Clark, Business Manager
Tahquamenon Area Schools
700 Newberry Avenue
Newberry, Michigan 49868

Dear Ms. Clark:

Thank you for your recent letter dated December 7, 1999, but received in our office August 1, 2000 regarding the School Code Sinking fund requirements. You are requesting an opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the attached project list/letter, dated December 7, 1999, appears to meet the requirements of the act, with the following exceptions:

1. Outdoor basketball court – the court itself is an allowable use of sinking funds, however the backboard and rims have been determined to be equipment and are not an allowable use of sinking fund money.

If I can assist further let me know.

Sincerely,

Mark A. Hilpert, Director
Bureau of Local Government Services

Attachment

Tahquamenon Area Schools

700 Newberry Avenue, Newberry, MI 49868
Phone (906) 293-3226
FAX (906) 293-3709

Sharon, Superintendent

Lillian J. Clark, Business Manager

December 7, 1999

Mr. Mark Hilpert, Director
Bureau of Local Government Services
Department of Treasury
Treasury Building
Lansing, MI 48992

RECEIVED
Dept. of Treasury
AUG -1 2000
LOCAL AUDIT & FINANCE DIV
AUG -1 2000
LOCAL AUDIT & FINANCE DIV

Dear Mr. Hilpert:

Our district is requesting your opinion on the permissible use of building and site sinking funds for the following items:

- ◆ Irrigation System at football sites
- ◆ Pole Barn to be used as bus shelters at two sites
- ◆ Spectator Bleachers at football field (replace all parts except steel frame)
- ◆ Outdoor basketball court - install two Post and Super Goals with 5' overhang
- ◆ Steel Canopy (20' X 60') over sidewalk between two entrances used for student class exchange (safety factor during winter months)
- ◆ Construct storage building (30' X 40') for storing maintenance equipment

Please address each matter separately in your reply. If additional information is required, please feel free to contact me at the number indicated above.

We look forward to hearing from you in this matter.

Sincerely,


Lillian J. Clark
Business Manager

STATE OF MICHIGAN

48-4-040



JOHN ENGLER, Governor
DEPARTMENT OF TREASURY
TREASURY BUILDING, LANSING, MICHIGAN 48922
MARK A. MURRAY, State Treasurer

August 6, 1999

Ms. Lillian J. Clark, Business Manager
Tahquamenon Area Schools
700 Newberry Avenue
Newberry, Michigan 49868

Dear Ms. Clark:

Thank you for your recent letter regarding the School Code Sinking Fund requirements. Pursuant to Department of Treasury Letter No. 01—95, you are requesting and opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the attached project list/letter, dated July 9, 1999, does not appear to meet the requirements of either the act or the numbered letter. These items listed are considered to be equipment and can not be purchased from sinking fund money. I have also attached for your reference a copy of Letter No. 01—95 regarding the use of sinking fund money.

If I can assist further let me know.

Sincerely,

Mark Hilpert, Director
Bureau of Local Government Services

Attachment

TAHQUAMENON AREA SCHOOLS

700 NEWBERRY AVENUE
 NEWBERRY, MI 49868
 TELEPHONE (906) 293-3226
 FAX (906) 293-3709

James J. Showers, Superintendent

Lillian J. Clark, Business Manager

MICH. DEPT. OF TREASURY
RECEIVED

July 9, 1999

JUL 14 1999

CASH AND DEBT
 MANAGEMENT DIVISION

RECEIVED
 DEPT. OF TREASURY

JUL 15 1999

LOCAL AUDIT & FINANCE DIV.

State of Michigan
 Department of Treasury
 Treasury Building
 Lansing, MI 49822

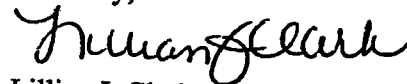
Dear Sir:

Our school district currently levies millage for a Sinking Fund. We ask your opinion on our use of the Sinking Fund to make several site improvement purchases for our cafeteria. The equipment currently in place is more than 26 years old, and in most cases, has out lasted its life expectancy. These improvements would include the purchases of the items listed below.

New Walk-In Freezer	\$12,741.00
Existing Freezer be made into Cooler	\$3,653.00
Two Double Deck Electric Ovens	\$10,555.70
Proofer Holding Cabinet	\$14,056.32
Two Self-Contained Kettles; 40 and 60 gallon	\$14,076.15
Tables and Chairs for Cafeteria	\$21,900.00
Total	\$76,982.17

Your consideration in approving this request for expensing Sinking Fund revenues for this project would be appreciated. If additional information is required, please feel free to contact me at the number indicated above. We look forward to hearing from you.

Sincerely,



Lillian J. Clark
 Business Manager

48-4-040



STATE OF MICHIGAN

DEPARTMENT OF TREASURY

TREASURY BUILDING

LANSING, MICHIGAN 48922

JOHN ENGLER, Governor
~~XXXXXXXXXXXX~~ State Treasurer
MARK A. MURRAY

March 22, 1999

Ms. Lillian J. Clark, Business Manager
Tahquamenon Area Schools
700 Newberry Ave.
Newberry, Michigan 49868

Dear Ms. Clark:

Thank you for your recent letter regarding the School Code Sinking Fund requirements. Pursuant to Department of Treasury Letter No. 01--95, you are requesting an opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the attached project list/letter, dated March 11, 1999, appears to meet the requirements of both the act and the numbered letter.

If I can assist further, let me know.

Sincerely,

Mark A. Hilpert, Director
Bureau of Local Government Services

Attachment



Tahquamenon Area Schools

James J. Showers
Superintendent of Schools

Lillian J. Clark
Business/Office Manager

(906) 293-3226 FAX: (906) 293-3709

700 Newberry Avenue Newberry, MI 49868

RECEIVED
DEPT OF TREASURY

MAR 17 1999

LOCAL AUDIT & FINANCE DIV.

March 11, 1999

State of Michigan
Department of Treasury
Treasury Building
Lansing, MI 48922

Dear Sir:

Our school district currently levies millage for a Sinking Fund. After reviewing a document distributed by our legal advisors, Thrun, Maatsch and Nordberg, P.C., of permissible and impermissible uses of sinking funds, based upon opinions provided by them and your agency, we find no mention of a project for which we would like to expense a portion of our Sinking Fund revenue.

Project: Upgrading an elevator for safety reasons and to meet ADA compliance:

- Tower assembly will be reduced and re-supported to eliminate excessive movement of platform.
- Upgrade safety pan switch to operate properly.
- Installation of Electronic Eyes to prevent wheelchairs from coming off platform.
- Other minor repairs and adjustments as ordered by the Michigan Department of Consumer & Industry Services, Bureau of Construction Codes/Elevator Safety Division.

Your consideration in approving this request for expensing Sinking Fund revenues for this project would be appreciated. If additional information is required, please feel free to contact me at the number indicated above. We look forward to hearing from you.

Sincerely,



Lillian J. Clark
Business Manager



"Tahquamenon Area Schools is a center of learning where students, through open communication and mutual respect, experience opportunities preparing them for today and tomorrow"

STATE OF MICHIGAN



JOHN ENGLER, Governor
DEPARTMENT OF TREASURY
TREASURY BUILDING, LANSING, MICHIGAN 48922
MARK A. MURRAY, State Treasurer

48-4-40

December 14, 1999

Ms. Lillian J. Clark, Business Manager
Tahquamenon Area Schools
700 Newberry Avenue
Newberr, MI 49868

Dear Ms. Clark:

Thank you for your recent letter regarding the School Code Sinking Fund requirements. Pursuant to Department of Treasury Letter No. 01—95, you are requesting an opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the attached project list/letter, dated December 7, 1999, does not appear to meet the requirements of both the act and the numbered letter. This item listed is considered to be equipment and can not be purchased from sinking fund money.

If I can assist further let me know.

Sincerely,

Mark Hilpert, Director
Bureau of Local Government Services

Attachment

48-4-40

Tahquamenon Area Schools

700 Newberry Avenue, Newberry, MI 49868
Phone: (906) 293-3226
FAX: (906) 293-3709

James J. Showers, Superintendent

Lillian J. Clark, Business Manager

December 7, 1999

Mr. Mark Hilpert, Director
Bureau of Local Government Services
Department of Treasury
Treasury Building
Lansing, MI 48992

Dear Mr. Hilpert:

Our district is requesting your opinion on the permissible use of building and site sinking funds for the following item:

Portable Bleachers

If additional information is required, please feel free to contact me at the number indicated above.

We look forward to hearing from you in this matter.

Sincerely,



Lillian J. Clark
Business Manager



STATE OF MICHIGAN
John Engler, Governor

DEPARTMENT OF TREASURY
Douglas B. Roberts, State Treasurer



MICHIGAN
DEPARTMENT OF
TREASURY

December 6, 2001

Ms. Camie Hansen, Accountant
Eastern Upper Peninsula ISD
315 Armory Street
Saulte Ste. Marie, Michigan 49783

Dear Ms. Hansen:

Thank you for your recent e-mail on behalf of the Moran Township School District regarding the School Code Sinking fund requirements. You are requesting an opinion regarding whether specific expenditures comply with the restrictions in Section 1212 of the School Code and the interpretations of the Michigan Department of Treasury.

In my opinion, the items listed in your correspondence, dated October 23, 2001, meet the requirements of the Act.

If I can assist further, let me know.

Sincerely,

Mark A. Hilpert *mark*

Mark A. Hilpert, Director
Bureau of Local Government Services

ELECTRONIC MAIL

c: Mr. Pete Everson, Superintendent; Moran Township School District

Sent 12/14/01

49-070-01

Linda J. Rairigh - Sinking Fund

From: Camie Hansen <cammieh@eup.k12.mi.us>
To: <rairighl@state.mi.us>
Date: 10/23/2001 8:25 AM
Subject: Sinking Fund

Linda,
May sinking fund money be spent on a new well or the redigging of an existing well. Moran Township School district has run into the problem with their well and are finding they need to put alot of money either into their old well or just redrill a new one.

Thanks Camie

Camie Hansen, Accountant
Eastern Upper Pennisula ISD
315 Armory Street
Sault Ste Marie, MI 49783
Phone - (906) 632-3373 Fax - (906) 632-1125

82-4-430



JOHN ENGLER, Governor
DOUGLAS B. ROBERTS, State Treasurer

STATE OF MICHIGAN
DEPARTMENT OF TREASURY

TREASURY BUILDING
LANSING, MICHIGAN 48922

October 19, 1998

Mr. Joseph B. Urban
Collins & Blaha
25505 West Twelve Mile Road, Suite 1900
Southfield, Michigan 48034-1811

Dear Mr. Urban:

Thank you for your recent letter regarding the School Code Sinking Fund requirements. Pursuant to Department of Treasury Letter No. 01-95, you are requesting an opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the attached project list/letter, dated October 13, 1998, appears to meet the requirements of both the act and the numbered letter.

If I can assist further, let me know.

Sincerely,

Mark A. Hilpert, Director
Bureau of Local Government Services

Attachment





JOHN ENGLER, Governor
DOUGLAS B. ROBERTS, State Treasurer

STATE OF MICHIGAN

DEPARTMENT OF TREASURY

TREASURY BUILDING

LANSING, MICHIGAN 48922

October 19, 1998

Mr. Joseph B. Urban
Collins & Blaha
25505 West Twelve Mile Road, Suite 1900
Southfield, Michigan 48034-1811

Dear Mr. Urban:

Thank you for your recent letter regarding the School Code Sinking Fund requirements. Pursuant to Department of Treasury Letter No. 01--95, you are requesting an opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the attached project list/letter, dated October 13, 1998, appears to meet the requirements of both the act and the numbered letter.

If I can assist further, let me know.

Sincerely,

Mark A. Hilpert, Director
Bureau of Local Government Services

Attachment



COLLINS & BLAHA, P.C.

ATTORNEYS AT LAW

SUITE 1900

25505 WEST TWELVE MILE ROAD
SOUTHFIELD, MICHIGAN 48034-1811

TELEPHONE 248/354-1140

FACSIMILE 248/354-8416

GARY J. COLLINS
WILLIAM J. BLAHA
ALLAN W. DAVIS
LORNE E. STEINHAUER†
ANITA GUGALA PETROSKY
JOSEPH E. URRAN
†ALSO ADMITTED IN
THE DISTRICT OF COLUMBIA

OF COUNSEL
MARY A. DIRKES
ANNE P. SCHERLOH

October 13, 1998
via facsimile

Ms. Linda Rairigh
Michigan Department of Treasury
Treasury Building
Lansing, MI 48922

RE: Proposed Use of Sinking Fund Proceeds

Dear Ms. Rairigh:

This will confirm our conversation of October 8, 1998, wherein we discussed the interpretation that the Michigan Department of Treasury (the "Department") places on MSA 15.41212; MCL 380.1212. As we discussed, Van Buren Public Schools has secured the approval of the electors for the creation of a sinking fund for the purpose of:

1. Constructing two (2) elementary schools;
2. Constructing two (2) multi-purpose room additions to existing elementary schools;
3. Razing all or a portion of one (1) and possibly two (2) existing elementary school buildings on sites owned by the District; and
4. Replacing and adding components of the air quality and temperature control systems (HVAC) systems in all school buildings.

As we discussed, because the Department is charged with auditing and reviewing the uses of sinking funds, the Department advises school districts planning projects to be paid for with sinking fund proceeds to request its advice on whether the proposed uses of sinking fund proceeds are, in the Department's opinion, permissible uses.

In Letter No. 01-95, the Department determined that "school district sinking funds may be used for purposes for which bonds (section 1351a) may be issued including":

Ms. Linda Rairigh
Michigan Department of Treasury
October 13, 1998
Page Two

purchasing, erecting, completing, remodeling or repairing facilities, or parts of or additions to those facilities; acquiring, preparing, developing, improving or repairing sites, or parts of or additions to sites, for school buildings, including library buildings, structures, athletic fields, playgrounds, or other facilities; and acquiring or installing technology in school buildings. *Michigan Department of Treasury, Letter No. 01-95 (June 28, 1995).*

Based upon our conversations with you and our review of Letter No. 01-95, it is our understanding that: items (1) and (2) listed above as proposed sinking fund uses clearly fall within the category of acceptable use; item (3) listed above, which calls for the improvement or repair of sites or parts of sites on which school buildings are situated falls within the category of acceptable use of sinking fund proceeds; and that item (4) listed above, to the extent that it calls for repair and replacement of HVAC systems and not for maintenance is likewise an acceptable use of sinking fund proceeds.

Please review the above-stated four (4) proposed uses of sinking fund proceeds and confirm the Department's concurrence with the District's analysis. If you have any questions, please feel free to contact our offices.

Sincerely,

COLLINS & BLAHA, P.C.


Joseph B. Urban

cc: Mr. James Richendollar, Superintendent
Van Buren Public Schools

(jbu7:VBtrcp)

58-4-10



JOHN ENGLER, Governor
DOUGLAS B. ROBERTS, State Treasurer

STATE OF MICHIGAN

DEPARTMENT OF TREASURY

TREASURY BUILDING

LANSING, MICHIGAN 48922

February 20, 1996

Mr. Richard Montcalm
Assistant Superintendent for Business and Finance
Monroe Public Schools
P.O. Box 733
Monroe, Michigan 48162

Dear Mr. Montcalm:

Thank you for your recent letter regarding the School Code Sinking Fund requirements. Pursuant to Department of Treasury Letter No. 01--95, you are requesting an opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the attached project list, dated January 31, 1996, appears to meet the requirements of both the act and the numbered letter.

If I can assist further, let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark A. Hilpert".

Mark A. Hilpert
Deputy State Treasurer

Attachment



58-4-010

Monroe Public Schools

Administration Building
1275 North Macomb Street - P. O. Box 733
Monroe, Michigan 48162

Telephone: 1-313-241-0330
Fax: 1-313-457-0930

February 8, 1996

Mr. Mark A. Hilpert
Deputy State Treasurer
Department of Treasury
Treasury Building
Lansing, MI 48922

Dear Mr. Hilpert:

I want to thank you for your letter dated December 4, 1995, clarifying our 1996 projects using the Building & Site Sinking Fund. After our initial letter, we have two additional projects which we believe are eligible to use the dollars from the Sinking Fund and want to make certain you concur that we are in compliance with the Department Treasury Letter #01-95 and section 1212 of the School Code.

Attached you will find a memo from my operations supervisor which depicts the scope of the two projects.

- Lincoln Elementary storm drainage at a cost of \$20,000.
- Monroe High School replacement of 8" back flow preventer and reinstall a 4" back flow preventer for the domestic water line as suggested by our mechanical engineer at a cost of \$15,000.

I would appreciate your review of these two projects and a letter that we are in compliance to use the dollars from the Building & Site Sinking Fund.

Sincerely,

Richard A. Montcalm
Assistant Superintendent for
Business & Finance

RAM:ced

Attachment

cc: Mike Bross

MAB Memo #076 95/96
January 31, 1996

To: Rick Montcalm
Assistant Superintendent for Business & Finance

From: Michael A. Bross
Operations Supervisor

Re: Additional Sinking Fund Projects 1995/96

Two (2) projects will be added to the existing Sinking fund project list for consideration. These projects consist of upgrading the storm sewer system at Lincoln Elementary and an upgrade of the city water main at Monroe High School.

Lincoln Elementary:

The storm drainage system from the main building to the street is undersized thus creating back ups and flooding in the building. This project consists of excavating and installing a new 12" storm sewer line from the building south to Third Street, then east to the main on Kentucky Avenue. Projected cost of this project is \$20,000. This project is up and beyond the capabilities of our maintenance staff. Therefore, the need to pursue outside contracting is requested. This project will be scheduled for the summer of 1996.

Monroe High School:

The Monroe High School main building has experienced water pressure problems for many years. To correct this situation our Mechanical Engineer has recommended removing the existing 8" back flow preventer on the main water feed and replace with an 8" straight through spool. Then, reinstall a 4" back flow preventer in the secondary domestic water line. Projected cost of this project is \$15,000. This project again would have to be contracted out as it is up and beyond the capabilities of our maintenance staff. This project is scheduled for the summer of 1996.

MAB/jw

58-4010



JOHN ENGLER, Governor
DOUGLAS B. ROBERTS, State Treasurer

STATE OF MICHIGAN
DEPARTMENT OF TREASURY

TREASURY BUILDING
LANSING, MICHIGAN 48922

November 25, 1996

Mr. Richard A. Montcalm
Asst Superintendent for Business & Finance
Monroe Public Schools
P.O. Box 733
Monroe, Michigan 48162

Dear Mr. Montcalm:

Thank you for your recent letter regarding the School Code Sinking Fund requirements. Pursuant to Department of Treasury Letter No. 01--95, you are requesting an opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the attached project list, dated October 31, 1996, appears to meet the requirements of both the act and the numbered letter, **with the following exceptions.**

PA System at South Monroe Townsite - this should be treated as technology, in that wiring or materials used for installation may be paid from this sinking fund, but the actual PA equipment is dis-allowed.

Replacement of lockers and baskets at Cantrick Middle School - this is determined to be equipment and is not an authorized expenditure from the sinking fund.

If I can assist further, let me know.

Sincerely,

Mark A. Hilpert
Mark A. Hilpert
Deputy State Treasurer

Attachment





58-4-00

Monroe Public Schools

Administration Building
1275 North Macomb Street - P. O. Box 733
Monroe, Michigan 48162

Telephone: 1-313-241-0330

Fax: 1-313-457-0930

October 31, 1996

Mr. Mark A. Hilpert
Deputy State Treasurer
Department of Treasury
Treasury Building
Lansing, MI 48922

Dear Mr. Hilpert:

Since Monroe Public Schools has moved to a Building & Site Sinking Fund, we have asked the guidance of the Department of Treasury in reviewing our proposed projects to make certain we are using the funds in compliance with the Department of Treasury letter #01-95 and Section 1212 of the School Code. Currently we are preparing our jobs for the 1997 school year.

As in the past, I would like to state our projects we are suggesting for the summer of 1997 we believe are in compliance with your rules and regulations with one exception regarding the limitation of the minimal cost of \$14,335. Following is a summary of our projects and if you have any questions or you believe there is a potential problem, please do not hesitate to contact me.

Following are the 1997 Building & Site Sinking Fund projects for Monroe Public Schools:

- Roofing repair at Cantrick and Lincoln: The roofing system involves complete tear-off of existing roofs to the structural deck and reinstalling new insulation and EPDM rubber membranes. Total cost for both projects is estimated at \$81,400 plus architect fees.
- Removal and installation of new toilet partitions to be in compliance with ADA requirements: It is necessary for us to complete a project which we began two years ago of removing and replacing toilet partitions to meet ADA specifications. We will be attempting to do this at eight of our buildings for a total cost of \$87,400 plus architect fees.
- Doors, frames and windows at six buildings: This project includes many doors, frames and windows to be removed and replaced at several of our buildings. They have rusted out and have become extremely inefficient and, in some cases, dangerous. We estimate the cost to be \$99,500 plus architect fees.
- PA System at South Monroe Townsite: We have the need to place a PA System for safety reasons at South Monroe Townsite Elementary School. Estimated cost is \$25,000 plus architect fees.
- Carpet Replacement: Replacing carpet in many of our buildings as it becomes dangerous at a total estimated cost of \$50,000.
- Installation of drainage at Lincoln Elementary School: The playground at Lincoln Elementary School becomes a small lake each time we have a significant amount of rain. This becomes a dangerous area and we have a very limited space for students. Therefore, it is necessary for us to install proper drainage. Total estimated cost is \$39,000 plus architect fees.
- Straighten football light poles at Navarre Field: At one of our football fields, the light poles, due to weather and ground conditions, have moved and are potentially very dangerous. Therefore, we have a need to straighten them and adjust the bulbs to properly light the field for liability purposes. This will secure the light poles and make certain the lights correctly illuminate the field. Total estimated cost is \$11,800 plus architect fees.

- Asphalt repair at Orchard and Raisinville: We have two areas where students regularly play where the asphalt has split and is dangerous due to weathering cracks. Therefore, it is necessary to recap. Total estimated cost is \$10,500 plus architect fees.
- Replacement of lockers and baskets at Cantrick Middle School: Currently in the boys locker room at Cantrick, the baskets have disintegrated and are falling apart and we can no longer accommodate the needs of our students for physical education and athletics. We need to replace and put in a new locker system for an estimated cost of \$50,000 plus architect fees.
- Tuck-pointing of masonry reset window sills at Custer I: The masonry around the window sills at this facility have totally disintegrated and water continuously gets behind the window sills and drips into the building when it rains. Total estimated cost is \$21,000 plus architect fees.
- Storage addition at Hollywood Elementary: We need to add on to Hollywood Elementary with a storage shed plus place a ramp and sidewalk which will go from the gym to the play lot for handicapped individuals. We need this in place in order to be in compliance with our fire marshal and have room for proper storage. Estimated cost is \$76,000 plus architect fees.
- Boiler House water expansion tank at Monroe High School: The boiler house water expansion tank at Monroe High School needs to be replaced and also remove and replace a broken pipe. Due to deterioration of both of these items, they need to be replaced at a total estimated cost of \$14,000 plus architect fees.
- Replace domestic water piping of mains at Monroe High School and Monroe Junior High School: We have a need through several buildings to begin the process of replacing our water mains. The pipes have become deteriorated and clogged so there is not a proper flow and we have a need to install a shut-off valve so we can work in parts of the building without totally closing the water in the entire building when we have a problem. Total estimated cost is \$90,000 plus architect fees.
- Replacement of doors to serving area with new overhead doors for Food Service: We currently have regular doors which makes it extremely tight and a poor flow for individuals as they attempt to come through the serving lines for the lunch program. We want to replace those doors with overhead doors and a proper wiring system to open and close the facility. Total estimated cost is \$36,000 plus architect fees.
- Redo the ventilation in the pool equipment room at Monroe High School: There is a need to improve and redo the ventilation in the pool equipment at Monroe High School. Currently with the chemicals which are involved, there is the potential of being a dangerous situation when an individual has to work down there for any length of time. Total estimated cost \$100,000 plus architect fees.
- Fill Coal bins with K-crete at Monroe Junior High School: There are some old coal bins which have not been in use for many years which are deteriorating and have become very dangerous. Holes have come through the asphalt in the parking lot which creates a dangerous situation. Estimated cost is \$10,000 plus architect fees.
- Refinishing of gym floors at Monroe Junior High School: The gym floors have not been finished in over twenty-five years at Monroe Junior High School. This item includes sanding, painting and finishing. Total estimated cost is \$33,700 plus architect fees.

- Addition of four classrooms and renovation at Manor Elementary School. Due to two portable classrooms falling apart and an increase in student population, we have a need to add four classrooms and bathrooms. In addition, we will be renovating several rooms and refinishing windows, constructing a new parking lot and demolishing the two portables. The anticipated cost is \$900,000 plus architect fees.

Some of the above projects do not individually exceed \$14,335, however, are items which are contracted by outside individuals who are capable of performing the work on a timely and cost-effective manner. We do not believe they are routine items but tasks which must be accomplished by outside groups. The dollars are not available in our general fund to complete these projects as we scrutinize our needs which are five to ten times the amount of dollars spent each year. We appreciate your review and acceptance of these projects under the Building & Site Sinking Fund dollars and await your official opinion.

If you have any questions or need of any further information, please do not hesitate to contact me.

Sincerely,



Richard A. Montcalm
Assistant Superintendent for
Business & Finance

RAM:ced

cc: Dave Taylor
Mike Bross
Pete Carlton

58-4-010



JOHN ENGLER, Governor
DOUGLAS B. ROBERTS, State Treasurer

STATE OF MICHIGAN

DEPARTMENT OF TREASURY

TREASURY BUILDING

LANSING, MICHIGAN 48922

December 4, 1995

Mr. Richard A. Montcalm
Asst Superintendent for Business & Finance
Monroe Public Schools
P.O. Box 733
Monroe, Michigan 48162

Dear Mr. Montcalm:

Thank you for your recent letter regarding the School Code Sinking Fund requirements. Pursuant to Department of Treasury Letter No. 01--95, you are requesting an opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the attached project list, dated November 10, 1995, appears to meet the requirements of both the act and the numbered letter, with the following exceptions.

PA Systems at Hollywood and Raisinville - this should be treated as technology, in that wiring or materials used for installation may be paid from this sinking fund, but the actual PA equipment is dis-allowed.

Drinking fountains in order to comply with ADA requirements - this is determined to be equipment and is not an authorized expenditure from the sinking fund. Any plumbing or materials used for installation may be paid from the sinking fund.

Auditorium sound system at Monroe Junior High School - this should also be treated as technology, in that wiring or materials used for installation may be paid from this sinking fund, but the actual sound system is dis-allowed.

If I can assist further, let me know.

Sincerely,

Mark A. Hilpert
Deputy State Treasurer

Attachment



Monroe Public Schools

Administration Building
1275 North Macomb Street - P. O. Box 733
Monroe, Michigan 48162

Telephone: 1-313-241-0330
Fax: 1-313-457-0930

November 10, 1995

Mr. Mark A. Hilpert
Deputy State Treasurer
Department of Treasury
Treasury Building
Lansing, MI 48922

Dear Mr. Hilpert:

I want to thank you for your letter dated September 12, 1995 regarding our projects using the Building & Site Sinking Fund for the summer of 1995. Currently we are preparing our jobs for the 1996 school year and we again would like to make certain we are in compliance with the Department of Treasury Letter No. 01--95 and Section 1212 of the School Code.

Again, I would like to say our projects we are suggesting for this summer are in compliance with your rules and regulations with one exception, the limitation of the minimum cost of \$14,335. Following is a summary of our projects and if there is any question or any potential problem, please do not hesitate to contact me.

Following are the 1996 Building & Site Sinking Fund projects for Monroe Public Schools:

- Roofing repair at our administration building and Cantrick. Roofing system involves complete tear-off of existing roofs down to the structural deck and reinstalling new insulation and EPBM rubber roof-type membranes. Total cost for both projects is estimated at \$114,100 plus architect fees.
- Christiandy storm drain/bus pull-off. This project involves working with the City of Monroe as part of the construction on Lincoln Avenue which will include a bus pull-off and work on a storm drain at the same time. We have asked them to be part of their bid as they move forward on this project and we will work through their engineering department and contracts. By tagging along we believe we save some money and our estimated costs are \$64,500 plus engineering costs.
- Monroe High School south entry drive and walk. We need to totally repair and replace our sidewalk from driveway to the main entrance of Monroe High School which includes major drainage work. Estimated cost is \$66,000 plus architect fees.

- Storm drainage at Lincoln Elementary School. We have a playground lot which needs storm drainage work in order to clear water off in a reasonable amount of time. Currently when it rains the water forms a pond and lasts for a long period of time. Estimated cost is \$20,000 plus architectural fees.
- Doors and frames for four buildings. This includes many doors and frames at Cantrick, Christiancy, Monroe Junior High and Monroe High School. We estimate the cost to be \$104,900 plus architect fees.
- Storage additions at Custer II and Monroe Junior High. We need to add on to the Custer II building and build a portable storage shed at Monroe Junior High School. We need these items in order to be in compliance with our fire marshal and have room for storage. Estimated cost \$93,200 plus architect fees.
- PA Systems at Hollywood and Raisinville. We have the two mentioned elementary schools in need of PA systems for safety reasons. Estimated cost is \$50,000 plus architect fees.
- Drinking fountains in order to comply with ADA requirements. We need fountains in ten different buildings. Total of 25 sets of drinking fountains at an estimated cost of \$35,000 plus architect fees.
- Refinishing of Monroe High School gym floors. Our gym floors have been in over twenty years and have not been refinished. This item includes sanding, painting and finishing. Total cost is \$51,500 plus architect fees.
- Auditorium sound system at Monroe Junior High School. Estimated cost is right at the border line at approximately \$14,000. The current system has been repaired many times and has been in the building over 25 years and is in dire need of replacement.
- Lincoln Elementary hot water. We are in need of hot water in three areas at Lincoln Elementary School. We currently have water but not the capability of hot water for washing and cleanliness. Estimated cost is \$20,000 plus architect fees.
- Monroe High School fieldhouse ADA toilets. At our football field fieldhouse there are no handicapped-access bathrooms and we want to make certain we comply with ADA. We need to add two bathrooms. Estimated cost is \$28,000 plus architect fees.
- Carpet replacement. Replacing carpet in many of our buildings as it has become dangerous at a total cost of \$35-40,000.
- Fire alarm system at Monroe High School. The fire alarm system is over twenty years old and the company we purchased it from is no longer in business. Parts have become very difficult to find and costly to repair. We are in the process of obtaining specifications to bid this item out according to ADA specifications. Estimated cost is \$150,000 plus architect fees.

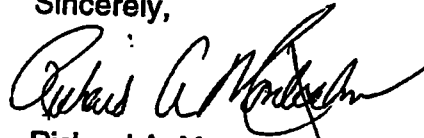
The next projects are below the \$14,335 limit but we do feel are appropriate for the use of the Building & Site Sinking Fund dollars.

- Our warehouse is a pole barn building which has sprayed-on insulation. This insulation is a blown-on special type of insulation which we do not have the expertise to accomplish. Our estimated cost to complete this project is \$9,400 plus fees.
- Concrete work to be done at two locations. We need a walk and drive way repaired at Monroe Junior High School and a pad replaced at Monroe High School. Total estimated cost is \$6,000.

The above projects which do not individually exceed \$14,335 are items which are items contracted out by outside individuals who are capable of performing the work on a timely and cost-effective manner. We do not believe these are routine items but jobs which need to be accomplished and done by outside groups. The dollars are not available in our general fund to complete these projects and we scrutinize our needs which are five to ten times the amount of dollars spent each year. We appreciate your acceptance of these projects under the Building & Site Sinking Fund dollars and await your opinion.

If you have any questions or need any further information, please do not hesitate to contact me.

Sincerely,



Richard A. Montcalm
Assistant Superintendent for
Business & Finance

RAM:ced

cc: Dave Taylor
Mike Bross
Pete Carlton

58-4-10



STATE OF MICHIGAN

DEPARTMENT OF TREASURY

TREASURY BUILDING

LANSING, MICHIGAN 48922

JOHN ENGLER, Governor
DOUGLAS B. ROBERTS, State Treasurer

September 12, 1995

Mr. Richard A. Montcalm
Assistant Superintendent for Business & Finance
Monroe Public Schools
P.O. Box 733
Monroe, Michigan 48162

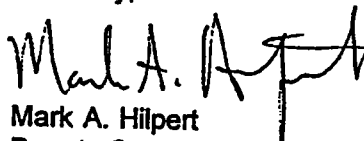
Dear Mr. Montcalm:

Thank you for your recent letter regarding the School Code Sinking Fund requirements. Pursuant to Department of Treasury Letter No. 01-95, you are requesting an opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the attached project list, dated July 7, 1995 and amended July 31, 1995, appears to meet the requirements of both the act and the numbered letter.

If I can assist further, let me know.

Sincerely,


Mark A. Hilpert
Deputy State Treasurer

Attachment



Monroe Public Schools

Administration Building
1275 North Macomb Street - P. O. Box 733
Monroe, Michigan 48162

Telephone: 1-313-241-0330
Fax: 1-313-457-0930

July 7, 1995

Ms. Linda Rairigh
Department of Treasury
Treasury Building
Lansing, MI 48922

RECEIVED
DEPT OF TREASURY

JUL 11 1995

LOCAL AUDIT & FINANCE DIV

Dear Ms. Rairigh:

I am writing in response to the letter sent by Mr. Nick Khouri, Chief Deputy State Treasurer, Michigan Department of Treasury dated June 28, 1995 regarding the School Code Sinking Fund Requirements. On January 17, 1995, I sent a letter to Mr. Doug Roberts regarding our potential use of the Building & Site Sinking Fund dollars asking for a response prior to February 22, 1995. Obviously this was not accomplished and the rules and regulations by the Department of Treasury have just recently been interpreted.

I do not believe that any project we have proceeded with during this summer violates your rules and regulations except in the context of the limitations of the minimum cost of \$14,335. Following is a summary of our projects and if there is any question or we have any problem, please do not hesitate to contact me.

Following are the 1995 Building & Site Sinking Fund projects for Monroe Public Schools.

- Orchard windows. We are replacing windows and door frames in an older building at a recorded bid of \$51,000 plus architect fees.
- Monroe High School interior alterations. This includes a new grinding booth in the shop area. Included in the work is new concrete block walls, concrete acoustical ceiling deck, new hollow metal door and frame and new mechanical heating duct and air filter system. Cost for this project is \$17,200 plus architect fees.
- Plumbing work at Raisinville Elementary School. A new public water main service from the road to the building, a new fire hydrant at the east end of the main parking lot as well as interior boiler room domestic plumbing changes overwork and a new 200 gallon storage tank and replacement of several drinking fountains. The cost of this project is \$44,494 plus architect fees.
- Cantrick plumbing which includes replacement of a hot water domestic tank (1000 gallons in related piping). Cost is \$25,856 plus architect fees.
- Locker room ventilation updating at Monroe High School. Included in this work is to install new ductwork from above the ceiling in the girls locker room extending to the second floor gym deck, third floor mechanical room deck and upper gym roof deck with a new roof top mounted exhaust fan. Also included is installation of new beams to support the second floor storage room floor and block wall to support the third floor mechanical room floor due to cutting duct openings. Cost of the project is \$20,450 plus architect fees.

- Raisinville Sanitary Tank. As a result of a new water line installation, we will be removing one tank and replacing with two tanks, plus related piping, electrical, etc. The cost is \$29,396 plus architect fees.
- Door and frame replacement at three buildings. This includes seven door frames at Monroe High School, four door frames at Monroe Junior High School and one exterior aluminum door frame and curtain wall at Raisinville Elementary School. The cost of the project is \$49,415 plus architect fees.
- Parking lot at Hollywood Elementary School. This includes a complete new asphalt paved parking lot at the north end of the building with two new concrete drives, storm draining, entrance walk, top soil and grass. Total of 29 parking spaces are provided with a new concrete dumpster pad. Cost of the project is \$49,900 plus architect fees.
- ADA toilet room updating at several schools. It is our intention to maintain and proceed on ADA requirements. Therefore, we are updating many of our bathrooms at several schools for a total cost to make them barrier free of \$312,900 plus architect fees.
- Roofing at Cantrick Middle School and Lincoln Elementary School. The roofing system involves complete tear offs of existing roofs down to the structural deck and re-installing new insulation and EPDM rubber-type roof membranes. Total cost is \$60,754 plus architect fees.
- Underground water service at Riverside. Need to replace the underground water service and all related work including paving and concrete work. Total cost is \$24,400.
- Carpet replacement. We are replacing carpet in many of our buildings as it has become dangerous at a total cost of \$38,219.
- Upgrading of underground storage tanks at the Transportation Center. This project consists of upgrading two 10,000 gallon fuel tanks, associated piping, dispenser sump boxes, monitoring system, two sumps and wiring. This is to be in conjunction with the appropriate rules and regulations. The cost is \$25,170.

The next projects are below the \$14,335 limit but we do feel are appropriate for the use of the Building & Site Sinking Fund dollars.

- Sanitary sewer at Custer Center Building. The work consists of removing the existing septic tank and installing a new sanitary sewer to connect to the sewer serving Custer II Elementary School. Cost is \$8,325.
- Asphalt paving at Christiancy Elementary School. The job consists of excavation, asphalt repair, cracked filling, paving, and seal coating. Cost is \$9,931.
- Chain link fence at South Monroe Townsite Elementary School. It was necessary to enclose one of our playgrounds for safety and liability purposes. The cost is \$3,138.
- Renovation of Custer I gym floor. We were originally going to replace the floor but the company believed they could repair it. Cost includes repairing, striping, sanding, refinishing, repainting the floor. Cost is \$6,124.
- Concrete work to be done at three locations. This includes driveways and door aprons at a total cost of approximately \$17-18,000.
- Roof work at Fenmoor and Monroe High School. These are roof replacements but in small areas at these two buildings. The total bid is \$11,309.

- Building renovation outside Custer II Elementary. The job includes tuckpointing, block refinishing, blasting, caulking, painting, etc. for exterior walls. The cost is \$4,925.
- Chimney Repair at Cantrick and Monroe High School. The jobs consist of tuckpointing, brick replacement, capping ,etc. at the two buildings. Total cost is \$5,360.

The above projects which do not individually exceed \$14,335 are items which are contracted out by outside individuals who are capable of performing the work in a timely and cost-effective manner. We do not believe these are routine items but jobs which need to be accomplished and done by outside groups. The dollars are not available in our general fund to complete these projects and we scrutinize our needs which are five to ten times the amount of dollars spent each year. We would appreciate your acceptance of these projects under the Building & Site Sinking Fund dollars and await your opinion.

If you have any questions or need any further information, please do not hesitate to contact me.

Sincerely,



Richard A. Montcalm
Assistant Superintendent for
Business & Finance

RAM:ced

cc: Dave Taylor
Mike Bross
Pete Carlton
Gary Collins



Monroe Public Schools

Administration Building
1275 North Macomb Street - P. O. Box 733
Monroe, Michigan 48162

Telephone: 1-313-241-0330
Fax: 1-313-457-0930

July 31, 1995

Ms. Linda Rairigh
Department of Treasury
Treasury Building
Lansing, MI 48922

RECEIVED
DEPT OF TREASURY
AUG 02 1995
LOCAL AUDIT & FINANCE DIV

Dear Ms. Rairigh:

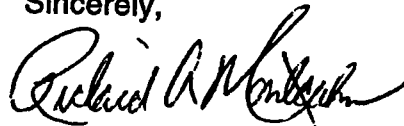
I am writing as a follow-up to the conversation we had a little over a week ago regarding the 1995 Building & Site Sinking Fund projects for Monroe Public Schools. As a result of our conversation, you verbally stated the acceptance of all projects with one exception. That project was the outside building renovation of Custer II Elementary. As a follow-up I have the following information; the Monroe Public Schools have made efforts over the past five to six years to correct the problem of moisture and paint blistering on an annual basis. Our crews have scraped, used every commercial product which has been recommended and still have not succeeded in correcting the moisture problem on the outside walls. Since our efforts have failed, we have hired a restoration company who has the proper equipment. They will sandblast, use their expertise and knowledge on the block, and seal in such a manner the moisture will minimally affect the outside walls. It is the belief of our maintenance supervisor that at this site the scope of the job is beyond the knowledge and capabilities of our staff. We, therefore, have hired an outside company and hopefully our problem will be addressed.

In addition to the previously stated items, we have added two additional items which are being accomplished by outside firms and do cost below the \$14,335 limit. However, in our conversation I spoke to you about those jobs and it was your initial reaction they sounded as if they would be appropriate for the Building & Site Sinking Funds. I have attached copies of the bids from Gratton Construction Company. You will notice in both cases we are talking about either moving walls or redoing ceilings and attaching metal studs, insulation, dry wall, etc. These are not normal routine maintenance items and we are looking for your formal approval on both of these projects. Due to time constraints, these items need to be accomplished and ready for school to begin at the end of August, we have proceeded with these jobs. If there are any problems, please do not hesitate to contact me.

We would also like to follow-up on one of our projects which was previously sent to you regarding the underground water service at Riverside Elementary. They are replacing an underground water service and there is a need to cut the road. We have run into several difficulties and the cost of the project will increase to a potential of almost twice the anticipated cost. We originally had \$24,400 and we are working with the company on how much the district should be responsible for due to the extra work which is entailed in cutting the road rather than boring underneath.

This leaves me with the question if the scope and size of the project is approved by your department and the cost is different than what is proposed, is it necessary for us to follow-up with further information. Please respond to these questions as you review and follow up with written communication, if there are any further questions, please do not hesitate to contact me.

Sincerely,



Richard A. Montcalm
Assistant Superintendent for
Business & Finance

RAM:ced

cc: Dave Taylor
Mike Bross
Pete Carlton
Gary Collins

GRATTON CONSTRUCTION CO., INC.

General Contractors
1128 West Front Street
Monroe, Michigan 48161

July 1, 1995

Mr. Michael Brose
Monroe Public Schools
4920 W. Albain Rd.
Monroe, MI 48161

Subject: Quotation

Dear Mr. Brose,

Gratton Construction Co., Inc. proposes to furnish labor and material to do the following at Custer I to help sound proof the Music Room.

1. Cut notch in ceiling.
2. Install 3-5/8" metal studs.
3. Install sound insulation.
4. Install vinyl drywall.
5. Patch ceiling.
6. Install new floor base.

South wall of Music Room ----- \$2,480.00

Wall in Assistant Principals' Office ---- \$1,520.00

We do not include any electrical work.

Sincerely,
Gratton Construction Co., Inc.



James R. Palmer,
President

JRP/bj

GRATTON CONSTRUCTION CO., INC.

General Contractors
1128 West Front Street
Monroe, Michigan 48161

July 1, 1995

Mr. Michael Brose
Monroe Public Schools
4920 W. Albain Rd.
Monroe, MI 48161

Subject: Quotation

Dear Mr. Brose,

Gratton Construction Co., Inc. proposes to furnish labor and material to relocate wall at Monroe High School as we discussed. Our work to consist of the following:

1. Removal of existing wall, door and frame.
2. Install 2½" metal stud wall in new location.
3. Install insulation for sound.
4. Cover studs with vinyl drywall (Durasan, Grasscloth, color-Chalk), not an exact match.
5. Install floor base.
6. Install hollow metal frame and hollow metal door with narrow lite and required hardware.
7. Paint door and frame.

For the sum of ----- \$5,325.00

We do not include:

1. Carpet repairs.
2. Electrical work.
3. Removal or installation of chalk boards.
4. Door to match existing - a match could probably be obtained but it would not be delivered prior to school start.

Sincerely,
Gratton Construction Co., Inc.



James R. Palmer,
President

JRP/bj