

VIP FOCUS

Keeping your valued staff after retirement A win/win opportunity for districts and employees

The following was heard after a board meeting:
“I hated to accept Ellen’s retirement as our elementary principal, because she’s so good for kids, but we needed to cut costs.”

Sound familiar? But what if there was a way to keep quality staff who were eligible to retire and still reduce costs? There is.

That’s right, state law has changed and all over Michigan, eligible employees and districts are looking at a win/win option that keeps valued employees and reduces costs—contracting with a private sector personnel services company for the services of your own retired staff.

The advantage to the district is clear: there is no longer a payment to MPSERS (currently 17.74 percent and certain to continue rising), there is no longer a 7.65 percent FICA employer contribution (the employer’s FICA contribution is the responsibility of the third-party personnel services company) and there is no longer a fringe benefit package to be paid (medical, dental, vision, worker’s comp, life insurance, etc.) because the employee has earned those benefits through the retirement program.

And the advantage to the employee is clear also; long-time staff members feel good about helping the district save quality programs by reducing personnel costs while enhancing their own income through the combination of retirement payments and salary.

Districts commonly find their personnel costs can be reduced 15–25 percent per staff member, even after paying the fee to the contracted services company.

This program is particularly well-suited for building and central office administrators, supervisory and support personnel and others who serve districts in a non-instructional role. Permanent superintendents are not eligible, and although the option is available to teachers, a board must bargain with the collective bargaining unit before contracting instructional services from a third-party provider.

This message brought to you by ContractED, Inc., a corporation that provides third-party contracted personnel services to Michigan school districts. For information contact Michael Emlaw at 734.975.6778 or www.contract-ed.com.

Clark Construction Company receives awards

Clark Construction Company has received several awards. Ken Lawless, VP and COO, was the recipient of the 2006 Distinguished Alumni Award at Ferris State University. The award is presented to individuals who have demonstrated leadership and service within their profession,

community, service organizations and alma mater. In addition, the National Association of Women in Construction Detroit Chapter 183 presented Clark Construction with their Longevity With Integrity – Contractor/Subcontractor Award because of their high ethical standards, fairness, honesty and integrity.



What’s in focus...

Doing business with MASB’s VIPs is good business. Your Very Important Partners help bring quality professional development and urban conference scholarships to you. This new publication will bring you valuable information on what matters to your district— from your VIPs.



Educational foundation to award scholarships for student leadership camps

A new scholarship program will present \$5,000 in scholarship awards to Michigan high schools, up to a maximum of \$1,250 per school, to allow students to attend the 2007 Michigan Association of Student Councils/Michigan Association of Honor Societies (MASC/MAHS) Summer Leadership Camp. The scholarship program is the first to be funded by the School Employers Trust, School Employers Group (SET SEG) Educational Foundation, a tax-exempt philanthropic organization. The foundation was established in 2005 to help students in Michigan public schools attain their educational goals.

The foundation's parent company, SET SEG, is a non-profit organization that provides high-quality, competitively priced employee benefits, property/casualty and workers' compensation insurance programs to Michigan public schools. SET SEG continually seeks new ways to support its members, who are the company's shareholders. Since its

inception in 1986, the MASB-SEG Property/Casualty Pool has returned more than \$79.5 million in surplus distribution and dividends to its membership. The SEG Self-Insurer Workers' Compensation Fund, established in 1977, has returned more than \$159 million to its members through surplus, dividends or the application of accumulated assets.

SET SEG is an organization run by schools, for schools. It's a close partner of MASB, and its board of directors are comprised of school administrators. The formation of the foundation permits SET SEG to assist Michigan districts through philanthropy.

This message brought to you by SET SEG School Insurance Specialists. Scholarship application materials were mailed to schools in early February. Visit www.setseg.org then select Foundation, Scholarship Application to complete the application process online.

GMB Architects•Engineers expands sustainability initiative with thermal validation

Are you interested in investigating your facilities to identify what areas are contributing to the most energy loss, and therefore added operational costs? GMB Architects•Engineers now offers building thermal scanning services using the latest color infrared camera technology.

GMB was challenged to provide a method to validate thermal insulation and sealing of building envelopes to minimize energy use in a non-destructive fashion. By providing this new service, GMB can confirm proper construction methods and materials in new buildings and also provide diagnostics of energy loss and water leakage in existing buildings. This allows GMB's clients to target areas of their facilities that contribute the most to energy consumption and cost, as well as locate leaks that allow water to enter the building skin.

GMB Executive Vice President Stephen Hamstra indicated that the addition of this capability to the firm's palette of services gives a new opportunity to building owners to have licensed architects and engineers provide this non-destructive building

science analysis. This methodology is also recognized as a valuable tool by the U.S. Green Building Council's LEED™ Existing Building certification process.

This message brought to you by GMB Architects•Engineers, a full-service firm in Holland, MI with professional registration in a dozen states. With LEED Accredited Professionals in every design discipline, GMB has a focus on sustainable design and U.S. Green Building Council LEED™ Certified buildings. For more information, call 616.796.0200 or visit www.gmb.com.

VIP FOCUS
Member News & Happenings



Honeywell helps Merrill Community Schools fuel energy savings by harnessing the power of corn

Honeywell and Merrill Community Schools worked together on a successful energy savings and modernization project that will provide energy-efficient infrastructure upgrades, including a corn-burning boiler that will heat the district's middle school by turning bushels of corn into usable energy—a first for Michigan schools.

The project also will improve school buildings and building systems, increase occupant comfort and help the district reduce its annual energy costs by an estimated 30 percent.

Merrill Community Schools, which serves more than 800 students in Saginaw County, will fund the project with the savings generated by upgrades to its building systems. The project is made possible by an energy conservation improvement bond from the Michigan Municipal Bond Authority, which allows schools to implement performance contracts and provides the initial capital for improvement projects. Under a performance contract, improvements to school buildings are funded by the downstream energy and operating cost savings resulting from the modernization work. Honeywell guarantees the savings will pay for the upgrades over the term of the contract, so the project will not affect the district's operating budget.

"With budgets already tight and our natural gas prices up 40 percent, we needed a way to fund upgrades and reduce our energy costs without having to redirect money or turn to taxpayers," said John

M. Searles, superintendent of Merrill Community Schools. "We wanted to make improvements that went beyond the bare minimum and would have a lasting, positive fiscal and environmental impact. This contract allows us to be better stewards of both the environment and tax money."

The project includes energy upgrade and renovation work at the district's three main buildings as well as the district's maintenance and administration buildings. Particularly notable is the installation of the corn boiler at the middle school, which will become the first Michigan school to use this alternative fuel technology as its main source of heat. The boiler, powered by 7,200 bushels of corn each year, will decrease the district's reliance on fossil fuels and is expected to reduce annual energy costs by \$10,000—a significant increase over the projected \$2,000 the district would have saved with a new, traditional boiler.

"Corn's availability, pricing stability and clean, emission-free burning properties made it especially appealing to us," Searles said.

Other renewable energy work includes the addition of a waste oil heater in the maintenance building, which will help the district realize more than \$2,000 in annual energy savings. The heater will run on waste oil collected from the district bus garage.

This message brought to you by Honeywell. For more information, contact 616.285.9759 or visit www.honeywell.com.

Madison Middle School to honor President Ford

The Grand Rapids Public School District is considering renaming the currently under-construction Madison Middle School in honor of former President Gerald R. Ford. The district believes this would be an appropriate way to honor President Ford since he attended Madison as a youth.

Superintendent Bernard Taylor said, "Madison is the one on our radar screens since it will be a new building and would reflect his contributions to our community." School Board President Rev. Kenneth Hoskins stated, "I think this needs to happen, President and Betty Ford are products of our schools. President Ford walked the halls of Madison and I think it's very appropriate that we take this step."

Triangle Associates, Inc. is the district's

construction manager on the project. The school is meeting guidelines for a possible LEED™ Certification.

Another notable aspect of the project is Triangle's diversity initiative. The school district requires that contractors have at least 15 percent diversity from both their workforce and subcontractors on each project. Triangle Associates exceeded these numbers with an astounding 34 percent in workforce diversity and 31 percent for diversity among its subcontractors. The high performance school is scheduled to be completed in July of 2007 and is a great way to pay tribute to former President Gerald R. Ford.

This message brought to you by Triangle Associates, Inc., 616.453.3950.

Whitmore Lake High takes the “LEED”

MASB Mission Statement

To provide quality educational leadership services for all Michigan boards of education, and to advocate for student achievement and public education.

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The new Whitmore Lake High School is making “green” history among Michigan schools. The 151,000 sq. ft. school is expected to become only the second Michigan high school to achieve LEED™ (Leadership in Energy and Environmental Design) certification from the U.S. Green Building Council. The designation reflects a deep commitment from the district, community and design/construction team to create a building that incorporates the principles of environmentally-friendly sustainable design.

Specific features of the new school that helped to achieve the points necessary for LEED™ certification include: a geothermal heating and cooling system and extensive energy recovery units; waterless urinals and metered faucets (reducing water consumption by 20 percent); use of linoleum and other biodegradable materials throughout the building; use of locally produced products (within a 500 mile radius); construction waste recycling (84 percent); use of recycled products and use of “green” cleaning products throughout the building.

A special element of the site is the “outdoor classroom,” a teaching area located on a peninsula of a newly created large pond on school grounds. The pond serves several other purposes: as a stormwater detention basin; a component of the ground source geothermal system; a reservoir for the school’s fire protection system; and, to provide a new habitat for local wildlife.

Many other project initiatives were simple to institute, including indoor air quality, construction waste reduction, energy efficiency and site considerations.

This message brought to you by TMP Associates, Inc. at 248.338.4561.