

BOARD OF EDUCATION OF THE CITY OF LOS ANGELES
Governing Board of the Los Angeles Unified School District

Los Angeles, California
January 27, 1997

BOARD OF EDUCATION REPORT NO. 2

The Board of Education adopts as shown below the item submitted by the Superintendent in the following attached communication dated January 13, 1997:

FACILITIES SERVICES DIVISION NO. 2

- (1)-2 Establishing a nine member, Blue Ribbon Citizen's Oversight Committee for expenditure of proceeds from April 1997 school repair bonds, with certain understanding; directing Superintendent to establish procedures for the timely submission of information to the Citizen's Oversight Committee to facilitate committee's review of local bond expenditures.

(The signature of the President does not necessarily signify concurrence with the recommendation.)

Respectfully submitted,

BOARD OF EDUCATION



President

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TO: BOARD OF EDUCATION OF THE CITY OF LOS ANGELES
FROM: SUPERINTENDENT OF SCHOOLS
VIA: BOARD OF EDUCATION

Facilities Services Division (Real Estate and Asset Management Branch)
Communication No. 2 to the Board of Education on January 13, 1997

SUBJECT: ESTABLISHMENT OF BLUE RIBBON CITIZENS' OVERSIGHT COMMITTEE FOR APRIL
1997 SCHOOL REPAIR BONDS

Proposal

It is proposed that the Board establish a Blue Ribbon Citizens' Oversight Committee to insure that the proceeds of the school repair bond which will be before the voters on April 8, 1997, are used for the purposes stated in the resolution which placed that proposition on the ballot and for the projects included in the contracts established with each school in the District.

Background

On December 9, 1996, the Board approved a resolution to place before the voters of the District a bond measure to fund school repairs, safety improvements, and other facilities needs. This proposition, on the April 8, 1997 ballot, would authorize the District to issue bonds for up to \$2.4 billion to finance repairs and renovations to the District's aging school facilities.

Should the measure be approved by the voters, the Board is committed to spending these funds in the most effective and efficient manner possible. Board Members have expressed the belief that, to provide appropriate accountability, the use of the bond proceeds should be subject to external review.

The results of a poll of voters indicated that a significant percentage of those polled favored the creation of an oversight committee as the best way to insure that the bond funds are spent for the intended purpose. Therefore, a Blue Ribbon Citizens' Oversight Committee consisting of nine members is proposed. For each seat on the committee, the Board will appoint a company, agency, or organization (see Exhibit 1) which will, in turn, designate an individual to serve on the committee. The individuals sitting on the committee must have demonstrated expertise in finance, construction, engineering, architecture or related fields, large scale project oversight, and community leadership.

The committee's responsibilities will include the following:

- Meeting at least quarterly to review expenditures of bond proceeds
- Reporting findings quarterly to the Board and to the public
- Recommending improvements to District processes and procedures as they relate to scheduling, planning, and completion of projects
- Reporting immediately to the Board and to the public any substantial expenditure of bond proceeds in conflict with the purposes approved by the Board and the contracts established with the schools

The anticipated schedule of reporting dates to the Board and the public for the first year is shown below.

BLUE RIBBON COMMITTEE REPORTS	
REPORT COVERING:	REPORT ANTICIPATED:
July - September 1997	December 1, 1997
October - December 1997	March 1, 1998
January - March 1998	June 1, 1998
April - June 1998	September 1, 1998

The Board has entered into a contract with each of the more than 800 schools in the District, specifying the work to be done with the funds generated by these bonds. Through these contracts, the schools and the public are informed in advance what the bond funds will be used for. Through the reports of the Blue Ribbon Committee, the schools, the public, and the Board will have independent information, as work is actually planned and carried out, that the money is used only for the stated purposes, and is spent in the most efficient and cost-effective manner.

Budget Implications

No budget implications are anticipated from the establishment of this committee. In addition to an executive secretary to the committee, once established, the committee may request appropriate resources from the Board of Education to assist in carrying out their duties.

Recommendation

IT IS RECOMMENDED that the Board establish an oversight committee for expenditure of proceeds from the April 1997 school repair bonds, with the following characteristics:

1. The name of the committee shall be the Blue Ribbon Citizens' Oversight Committee ("Blue Ribbon Committee").
2. The Blue Ribbon Committee shall consist of nine members, of whom five shall constitute a quorum.
3. Each of the organizations shown on Exhibit 1 shall occupy one seat on the Blue Ribbon Committee.
4. In the event an organization occupying a seat on the Blue Ribbon Committee elects to terminate its participation, the Board of Education shall appoint another organization in its place.
5. Each organization holding a seat on the Blue Ribbon Committee shall designate an individual to represent the organization on the committee and an alternate to serve in absence of the designee. Representatives and alternates must have expertise in finance, construction management, school facilities, or community leadership. If an individual ends service on the committee, the organization which designated that individual shall name a replacement. Committee members, representatives, and alternates shall receive no compensation from the District for their service on the Blue Ribbon Committee.

6. The Blue Ribbon Committee shall have the following responsibilities:

- Meeting at least quarterly to review expenditures of bond proceeds and District processes and procedures related to the bond projects.
- Reporting findings quarterly to the Board and to the public in a written report by the first day of the third month following the end of each quarter. This report shall be reviewed in the next meeting of the Audit Committee following submission of the report, and in the next public meeting of the Board of Education following the Audit Committee review. The Board of Education will respond in writing to the Committee's recommendation within 60 days of receipt of the report.
- Recommending improvements to District processes and procedures as they relate to scheduling, planning, and completion of projects.
- Reporting immediately to the Board and to the public any substantial expenditure of bond proceeds in conflict with the purposes approved by the Board and the contracts established with the schools.

IT IS FURTHER RECOMMENDED that the Board direct the Superintendent to establish procedures for the timely submission of information to the Blue Ribbon Committee to facilitate the committee's review of local bond expenditures.

This action has been reviewed and does not require a Desegregation Impact Statement.

Respectfully submitted,

SIDNEY A. THOMPSON
Superintendent of Schools

PREPARED BY:



BOB NICCUM
Director of Real Estate and Asset Management

PRESENTED BY:



BETH LOUARGAND
General Manager, Facilities Services Division

EXHIBIT 1

MEMBERSHIP OF THE BLUE RIBBON CITIZENS' OVERSIGHT COMMITTEE

Each of the following will be invited to appoint one representative to the Blue Ribbon Citizens' Oversight Committee:

1. American Institute of Architects, Los Angeles Chapter
2. Associated General Contractors of California, Los Angeles District
3. California Congress of Parents, Teachers, and Students: the representative to be appointed jointly by the Tenth District and the Thirty-First District
4. City of Los Angeles Controller
5. City of Los Angeles Mayor
6. The Los Angeles County Board of Supervisors will be asked to appoint the County of Los Angeles Auditor-Controller or his/her appropriate designee
7. Los Angeles Area Chamber of Commerce
8. Los Angeles County Federation of Labor AFL-CIO
9. Structural Engineers Association of Southern California

Mr. Scott and Ms. Swanson provided a demonstration of one of the tools used for instruction.

President Horton modified the Order of Business.

REGULAR CALENDAR

BOARD OF EDUCATION REPORT NO. 2

Establishment of Blue Ribbon Citizens' Oversight Committee for April 1997 School Repair Bonds

Mr. Richard Katz was given an opportunity to address the Board in support of the Committee.

Mr. Howard Watts addressed the Board on the report.

Mr. Slavkin moved that the report be adopted. Mr. Tokofsky seconded the motion.

After discussion, Mr. Slavkin read for the record the organizations that will make appointments to the Blue Ribbon Citizens' Oversight Committee:

The American Institute of Architects, Los Angeles Chapter; the Associated General Contractors of California, Los Angeles District; the California Congress of Parents, Teachers and Students representatives to be appointed jointly by the Tenth District and the Thirty-First District PTA; the Controller of the City of Los Angeles; the Mayor of the City of Los Angeles; the Los Angeles County Board of Supervisors will be asked to appoint the County of Los Angeles Auditor Controller or appropriate designee; Los Angeles Area Chambers of Commerce; the Los Angeles County Federation of Labor; and the Structural Engineers Association for Southern California.

The appointees of these organizations will be responsible for monitoring the expenditures of the bond funds to make sure that every dollar approved is spent for the designated purpose.

After discussion, the report was adopted by general consent. Mrs. Boudreaux and Mr. Kiriya were absent.

Later in the meeting, Mrs. Boudreaux recorded an aye vote on the report.

President Horton resumed the Order of Business.

REPORTS POSTPONED FROM OCTOBER 7 AND DECEMBER 2, 1996

BUSINESS AND OPERATIONS COMMITTEE REPORT NO. 6
Approval of Recommendations from the Health and Welfare Committee

The following persons addressed the Board on the report:

Mr. Day Higuchi, representing United Teachers Los Angeles (UTLA)