

LOS ANGELES UNIFIED SCHOOL DISTRICT

SCHOOL CONSTRUCTION BOND CITIZENS' OVERSIGHT COMMITTEE

D. Michael Hamner, FAIA, Chair

American Institute of Architects

Robert Campbell, Vice-Chair

L.A. Co. Auditor-Controller's Office

Dr. Samantha Rowles, Secretary

LAUSD Student Parent

Patrick MacFarlane, Executive Committee

Early Education Coalition

Scott Pansky, Executive Committee

L.A. Area Chamber of Commerce

Neelura Bell

CA Charter School Association

Sandra Betts

CA Tax Reform Assn.

Chad Boggio

L.A. Co. Federation of Labor AFL-CIO

Aleigh Lewis

L.A. City Controller's Office

Jennifer McDowell

L.A. City Mayor's Office

Brian Mello

Assoc. General Contractors of CA

Santa Ramirez

Tenth District PTSA

William O. Ross IV

31st District PTSA

Connie Yee (Alternate)

L.A. Co. Auditor-Controller's Office

Vacant

Senior Citizens' Organization

Vacant

LAUSD Student Parent

Joseph P. Buchman – Legal Counsel

Burke, Williams & Sorensen, LLP

Lori Raineri and Keith Weaver – Oversight Consultants

Government Financial Services Joint

Powers Authority

Timothy Popejoy

Bond Oversight Administrator

Perla Zitle

Bond Oversight Coordinator

4th Quarter Report FY 2023/24 April – June 2024

I. Overview

The mission of the School Construction Bond Citizens' Oversight Committee (BOC) is to oversee the expenditure of money for the construction, repair and modernization of schools by the LAUSD and to communicate its findings to the Board and the public so that school bond funds are invested as the voters intended and that projects are completed wisely and efficiently.

The shared vision between the BOC and the LAUSD is to build and maintain schools that promote the full development of the child, are educationally and environmentally sound, enhance their neighborhoods through design and programming as centers of community, and reflect the wise and efficient use of limited land and public resources.

The BOC presents this Quarterly Report in the discharge of its duties. This report covers activities of the BOC during the 4th Quarter of the Fiscal Year 2023/2024, the 2nd Quarter of Calendar Year 2024 (April - June).

The BOC typically receives three reports from the Facilities Services Division (FSD) regarding financial and project budget and schedule data. This informs the SUP Summary that the BOC prepares, and the Consolidated Monthly Program Status Report included each month in the BOC's meeting materials with the CFE presentation tab. The most recent reporting is through June 15, 2024. FSD reporting has fully recovered from the impacts of the 2022 cyberattack. This is a great credit to FSD and ITS staff given the enormity of the database and complex issues involved.

Bond Program Performance and Bond Measure Audits

At its March 28, 2024 regular meeting, the BOC received a presentation and the report on the FY23 bond and performance audits from the District's auditor, Simpson & Simpson. The audit found no significant findings or material issues with the audits. The Committee recognizes the work of the auditor and the District in the sound management and expenditure of bond funds. However, the Committee does request that the District audit team include briefings and interviews

with the BOC earlier in the audit process for FY24. The District has stated it shares this view and will work with the Committee to continue open communication around the audit process.

II. Public Meetings

For the matters contained in this Quarterly Report, the BOC held two public meetings. These meetings were held on April 25, 2024 and May 23, 2024.

The record of BOC member attendance for these meetings can be found in [Exhibit 1](#).

III. Resolutions Adopted

The BOC adopted the following resolutions during the period covered by this Quarterly Report.

April 25, 2024 BOC Meeting

- **2024-13** – Recommending Board Approval to Define and Approve the 2024-2025 Education Code Section 47614 (Proposition 39) Facilities Renovation Effort and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (April 25, 2024)
- **2024-14** – Recommending Board Approval to Define and Approve Three Early Education Center Outdoor Classroom and Campus Upgrade Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (April 25, 2024)
- **2024-15** – Recommending Board Approval to Define and Approve 14 Board District Priority and Region Priority Projects, Cancel Three Board District Priority and Region Priority Projects, and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (April 25, 2024)
- **2024-16** – Recommending Board Approval to Define and Approve The Porter Ranch Community School Phase 2 Classroom Addition Project and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (April 25, 2024)

May 23, 2024 BOC Meeting

- **2024-17** – Recommending Board Approval for the FY 2025 OIG Work Plan/Strategic Execution Plan (May 23, 2024)
- **2024-18** – Recommending Board Approval for the Amendment of the Information Technology Services Strategic Execution Plan to Approve the Audio-Visual Communication System Modernization at Marlton School Project (May 23, 2024)
- **2024-20** – Recommending Board Approval to Define and Approve Four Classroom Replacement Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (May 23, 2024)
- **2024-21** – Recommending Board Approval to Define and Approve Eight Classroom Upgrade Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (May 23, 2024)
- **2024-22** – Recommending Board Approval to Define and Approve Four Accessibility Enhancement Projects, Two Barrier Removal Projects, and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (May 23, 2024)

Bond Oversight Committee

333 S. Beaudry Avenue, 23rd Floor, Los Angeles, CA 90017

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- **2024-23** – Recommending Board Approval to Define and Approve Nine Board District Priority and Region Priority Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (May 23, 2024)
- **2024-24** – Recommending Board Approval to Define and Approve 16 Projects to Provide Critical Replacements and Upgrades of School Building/Site Systems and Components and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (May 23, 2024)
- **2024-25** – Recommending Board Approval to Define and Approve Six Proposition 39 Co-Located/Shared Facilities Improvement Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (May 23, 2024)

IV. Resolutions Not Adopted

- **2024-19** – Recommending Board Approval for the Amendment of the Information Technology Services Strategic Execution Plan to Approve the TechRefresh: Equipping Tomorrow's Minds Project, Phase 1 And 2a (May 23, 2024) (NOT ADOPTED)

V. Receipt of Reports and Correspondence

April 25, 2024 BOC Meeting

- Chief Facilities Executive's Report (Information Only)
- Performance Audit of Charter Schools Receipts (Information Only)

May 23, 2024 BOC Meeting

- ITS BOC Quarterly Program Status Report Q1 2024 (January 1 – March 31, 2024) (Information Only)
- Presentation by the Superintendent Albert Carvalho of the Los Angeles Unified School District (Information Only)
- Chief Facilities Executive's Report (Information Only)
- On May 30, BOC staff, on behalf of the Chair, sent a letter to the Superintendent and Board of Education identifying its concerns with the ITS TechRefresh: Equipping Tomorrow's Minds Project, Phase 1 and 2A. The discussion and the BOC letter are included in the BOC meeting minutes for the May 23, 2024 meeting.

VI. BOC Member Activities

- The BOC Annual Election took place at the May 23, 2024 BOC meeting. D. Michael Hamner, FAIA, was elected Chair commencing July 1, 2024. Other officers were also elected.
- Robert Campbell and Margaret Fuentes attended the New Parent Center and Student Wellness Room Ribbon-Cutting at Brooklyn Avenue Elementary School on April 19, 2024.

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- Scott Pansky attended the John Francis Polytechnic High School Comprehensive Modernization Project Milestone Ribbon-Cutting on April 22, 2024.
- Scott Pansky attended the Hal Lambert Ribbon-Cutting Ceremony at the William Howard Taft Charter High School on May 20, 2024.
- Samantha Rowles attended the Grand Reopening Celebration of the Kentwood Early Education Center on June 12, 2024.
- Scott Pansky attended the Ribbon-Cutting Ceremony at the Northridge Early Education Center on June 14, 2024.

VII. Board of Education Presentations

- On April 16, 2024, Margaret Fuentes, BOC Chair, provided a presentation related to updates from the LA Unified School Construction Bond Citizens' Oversight Committee to the LAUSD Facilities and Procurement Committee.

VIII. Task Force/Subcommittee Activities

At its April 27, 2023 meeting, the BOC adopted a “Resolution Establishing the 2023 BOC Charter and MOU Review Task Force.” The Task Force is chaired by member Michael Hamner and includes Margaret Fuentes, Samantha Rowles and Dr. Clarence Montecarlo. BOC staff forwarded its “redline” proposed revisions to the District on September 19, 2023. District staff have communicated to the BOC that the District has conducted a couple of internal review sessions to consider the proposed changes. However, the BOC has received no formal response or counter proposal to its proposed revisions. The Task Force is still active and awaiting District’s updates on proposed revisions to the MOU.

At its May 23, 2024 meeting, as a non-agenda item, member Aleigh Lewis proposed that a Task Force be established regarding the District’s *Green Schoolyards for All* resolution and Plan. The BOC Chair directed BOC staff to work with Ms. Lewis on this proposal. It is anticipated a resolution will be presented to the BOC at its August 1, 2024 meeting to establish such a Task Force (BOC Ad Hoc Subcommittee).

IX. LAUSD Bond Program Status: School Upgrade Program (SUP)

The District bond program is composed of multiple “managed programs” funded by District Bond Measures BB (1997), K (2002), R (2004), Y (2005), Q (2008), RR (2020) and state bond funds and developer fees.

On November 3, 2020, voters approved Measure RR allocating an additional \$7 billion for the LAUSD bond program. On August 24, 2021, the Board of Education approved the implementation of Measure RR funding and priorities into its operational framework.

The current managed program is the Updated School Upgrade Program (SUP) adopted by the Board of Education on August 24, 2021. The Updated SUP is composed of 16 program categories, known as “spending targets,” with a total budget of approximately \$14.6 billion.¹ The Updated SUP is primarily funded by District Bond Q and RR. The majority of SUP projects, approximately \$13 billion, or 89% of the total SUP budget, is managed by the Facilities Services Division (FSD).²

Specific bond program projects are included in the SUP where funds are available within spending targets and after they are approved by the Board of Education. Projects (scope, schedule and budget) are proposed as Strategic Execution Plan (SEP) amendments. Proposed projects are first considered by the BOC for recommendation, and then presented to the Board of Education for approval.

FSD Quarterly Program Expenditures and Change Order Rate:

- Total quarterly FSD bond fund expenditures by month: \$89.9M for April, 107.5 for May. Expenditure data for June was not available at the time of publication of this report.
- As of May 15, 2024, the cumulative change order rate for all project types was 13.19%.

See section “III. Resolutions Adopted” in this report for a summary of SUP proposed projects considered by the BOC this quarter.

X. Committee Member—Appointments/Resignations/Elections

The BOC’s annual elections took place on May 23, 2024 at the public regular BOC meeting with the following results: Mr. Michael Hamner, BOC Chair; Mr. Robert Campbell, BOC Vice-Chair, Dr. Samantha Rowles, Secretary; Mr. Patrick MacFarlane, Executive Member; and Mr. Scott Pansky, Executive Member.

Ms. Santa Ramirez, Tenth District PTSA, replaced Dr. Clarence Monteclaro as primary member on May 29, 2024.

Ms. Jennifer McDowell, LA City Mayor’s Office, reappointed on June 18, 2024.

Ms. Sandra Betts, CA Tax Reform Association, appointed on June 18, 2024.

Mr. Jeffrey Fischbach, CA Tax Reform Association, termed out June 24, 2024.

¹ As of 5/31/24. The total LAUSD bond program includes approved projects which are managed within the Updated SUP and “legacy” programs. Legacy programs include the Capital Improvement Program (CIPR), the New Construction Program, the Modernization Program and the BB Program. The majority of projects included in legacy programs have achieved substantial completion, been closed out, reassigned to other managed programs, or remain active only for the purpose of resolving outstanding claims or other administrative or legal issues.

² Bond program projects are managed in the LAUSD organization according to project type and staff expertise in the following divisions: Facilities Services Division (FSD), Information Technology Services (ITS), Transportation Services Division (TSD), Chief Business Officer (CBO) and Office of the Inspector General (OIG).

Ms. Margaret Fuentes, LAUSD Student Parent, termed out June 30, 2024.

XI. BOC Budget

The BOC's Annual Budget for the July 1, 2023 – June 30, 2024 Fiscal Year is \$648,540.00**. Total Year-to-Date expenditures were \$616,799.03 or 95% of the budget.

	FY 23/24 Budget	Expenditures		YTD% of Budget Expended
		4th Quarter (FY)	YTD (FY)	
Professional Service Contracts	\$214,000	\$97,195.00	\$148,864.30*	70%
Office	\$434,540**	\$114,628.60	\$467,934.73	107%
Totals	\$648,540	\$211,823.60	\$616,799.03	95%

*Year-to-date (YTD) expenditures for Professional Services Contracts are reported as actual payments and may reflect a lag in time between invoicing for services rendered and actual payment. As such, this total does not include all payments made to professional services contract vendors for April, May and June.

**Office budget will adjust according to the salary table schedule approved by the District.

XII. BOC Member Requests

- See VIII “Task Force/Subcommittee Activities” regarding request by Ms. Lewis regarding a new BOC Task Force.
- Mr. Pansky made a request from the Superintendent to provide District staff to make a presentation regarding the District’s use of AI to the Committee.

Fourth Quarter Report (April 1 through June 30) for fiscal year 2023/2024 approved and submitted by staff on August 1, 2024.

/Timothy Popejoy/

Timothy Popejoy

Administrator

Bond Oversight Committee

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EXHIBIT 1

Bond Oversight Committee Meeting Attendance for 4th Quarter of FY 2023-24 Ending June 2024

<u>Name</u>	April 25, 2024 Regular Meeting	May 23, 2024 Regular Meeting
Bell, Neelura (CA Charter School Association)	●	○
Boggio, Chad (L.A. Co. Federation of Labor AFL-CIO)	●	○
Campbell, Robert (L.A. County Auditor/Controller's Office)*	●	●
Fischbach, Jeffrey (CA Tax Reform Association)	●	●
Fuentes, Margaret (LAUSD Student Parent)	●	●
Hamner, D. Michael (American Institute of Architects)	●	●
Lewis, Aleigh (L.A. City Controller's Office)	●	●
MacFarlane, Patrick (Early Education Coalition)	●	●
Mello, Brian (Assoc. General Contractors of CA)	○	○
Monteclaro, Clarence (Tenth District PTSA)*	○	○
Pansky, Scott (L.A. Area Chamber of Commerce)	●	●
Ramirez, Santa (Tenth District PTSA)**	●	●
Ross, William O. IV (31st District PTSA)	●	●
Rowles, Samantha (LAUSD Student Parent)	●	●
Yee, Connie (L.A. County Auditor/Controller's Office)**		

● = Present ○ = Absent

-- = Non-Committee Member at time of Meeting

*Primary Member

**Alternate Member (Attendance box left blank if not needed to serve as alternate)