

LOS ANGELES UNIFIED SCHOOL DISTRICT

SCHOOL CONSTRUCTION BOND CITIZENS' OVERSIGHT COMMITTEE

Margaret Fuentes, Chair

LAUSD Student Parent

D. Michael Hamner, FAIA, Vice-Chair

American Institute of Architects

Samantha Rowles, Secretary

LAUSD Student Parent

Robert Campbell, Executive Committee

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

Scott Pansky, Executive Committee

L.A. Area Chamber of Commerce

Neelura Bell

CA Charter School Association

Chad Boggio

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

Jeffrey Fischbach

CA Tax Reform Assn.

Aleigh Lewis

L.A. City Controller's Office

Patrick MacFarlane

Early Education Coalition

Jennifer McDowell

L.A. City Mayor's Office

Brian Mello

Assoc. General Contractors of CA

Dr. Clarence Monteclaro

Tenth District PTSA

William O. Ross IV

31st District PTSA

Connie Yee (Alternate)

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

Vacant

AARP

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

**1st Quarter Report FY 2023/24
July – September 2023**

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 1st Quarter of the Fiscal Year 2023/2024, the 3rd Quarter of Calendar Year 2023 (July - September).

At the time of this report, the BOC has received FSD financial and schedule project updates through September 30, 2023, but not a break-out of specific expenditure data for each month included in the FSD Consolidated Monthly Program Status Report provided to the BOC as part of the monthly Chief Facilities Executive Report for this reporting period. This lag in reporting is attributed to some financial reporting issues resulting from the cyberattack on the District in 2022. FSD is continuing its efforts to "catch-up" on some of its reporting.

II. Public Meetings

For the matters contained in this Quarterly Report, the BOC held two public meetings. These meetings were held on August 10, 2023 and August 31, 2023.

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.

August 10, 2023 BOC Meeting

- **2023-19** – Recommending Board Approval to Define and Approve Three Athletic Facilities Upgrade Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (August 10, 2023)
- **2023-20** – Recommending Board Approval to Define and Approve The New Chatsworth Early Education Center Project and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (August 10, 2023)(POSTPONED)
- **2023-21** – Recommending Board Approval to Define and Approve Five Sustainable Environment Enhancement Developments for Schools (SEEDS) Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (August 10, 2023)
- **2023-22** – Recommending Board Approval to Define and Approve Seven Playground and Campus Exterior Upgrade Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (August 10, 2023)
- **2023-23** – Recommending Board Approval to Define and Approve Two Charter School Facilities Upgrade Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (August 10, 2023)
- **2023-24** – Recommending Board Approval to Define and Approve 18 Board District Priority and Region Priority Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (August 10, 2023)

August 31, 2023 BOC Meeting

- **2023-25** – Recommending Board Approval to Define and Approve Three Projects to Provide Critical Replacements and Upgrades of School Building/Site Systems and Components and Amend the Facilities SEP to Incorporate Therein (August 31, 2023)
- **2023-26** – Recommending Board Approval to Define and Approve Seven Board District Priority and Region Priority Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (August 31, 2023)
- **2023-27** – Recommending Board Approval to Define and Approve The Girls Academic Leadership Academy (GALA) Campus Reconfiguration and Upgrade Project and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (August 31, 2023)

Bond Oversight Committee

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IV. Resolutions Not Adopted

- N/A

V. Receipt of Reports and Correspondence

August 10, 2023 BOC Meeting

- Chief Facilities Executive’s Report (Information Only)

August 31, 2023 BOC Meeting

- ITS BOC Quarterly Program Status Report Q2 2023 (April 1-June 30, 2023) (Information Only)
- Chief Facilities Executive’s Report (Information Only)

VI. BOC Member Activities

- On July 11, BOC Chair Margaret Fuentes and BOC Members Samantha Jackson, Patrick MacFarlane, and William O. Ross IV visited school construction sites at Belvedere Middle School, Huntington Park High School, and Jefferson High School.
- On September 25, 2023, BOC member Robert Campbell and BOC staff met with the District’s bond audit staff to discuss the upcoming bond and performance audits.

VII. Board of Education Presentations

- None

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 also includes Margaret Fuentes, Samantha Rowles and Dr. Clarence Monteclaro. The Task Force is still active and awaiting District’s updates on proposed revisions to the MOU.

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 \$14.3 billion.¹ The Updated SUP is primarily funded by District Bond Q and RR. The majority of SUP projects, approximately \$13 billion, or 88% 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: Expenditure data was not available at time of publication of this report.
- As of June 15, 2023, the cumulative change order rate for all project types was 14.50%.

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

Ms. Aleigh Lewis, Los Angeles City Controller’s Office, appointed on September 26, 2023.

Ms. Dolores Sobalvarro, American Association of Retired Persons (AARP), termed out on September 14, 2023.

¹ As of 07/31/23. 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).

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 \$106,484.10 or 16% of the budget.

	FY 23/24 Budget	Expenditures		YTD% of Budget Expended
		1st Quarter (FY)	YTD (FY)	
Professional Service Contracts	\$214,000	\$5,600.00	\$5,600.00*	3%
Office	\$434,540	\$100,884.50	\$100,884.50	23%
Totals	\$648,540	\$106,484.50	\$106,484.50	16%

*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.

XII. BOC Member Requests

- None

First Quarter Report (July 1 through September 30) for fiscal year 2023/2024 approved and submitted by staff on November 2, 2023.

/Timothy Popejoy/

Timothy Popejoy

Administrator

Bond Oversight Committee

EXHIBIT 1

Bond Oversight Committee Meeting Attendance for 1st Quarter of FY 2023-24 Ending September 2023

<u>Name</u>	August 10, 2023 Regular Meeting	August 31, 2023 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)	●	●
Hannan, Chris* (L.A. Co. Federation of Labor AFL-CIO)	○	○
Lewis, Aleigh (L.A. City Controller's Office)	--	--
MacFarlane, Patrick (Early Education Coalition)	●	●
McDowell, Jennifer (L.A. City Mayor's Office)	●	○
Mello, Brian (Assoc. General Contractors of CA)	●	●
Monteclaro, Clarence (Tenth District PTSA)	●	○
Pansky, Scott (L.A. Area Chamber of Commerce)	●	●
Ross, William O. IV (31st District PTSA)	●	●
Rowles, Samantha (LAUSD Student Parent)	●	●
Sobalvarro, Dolores (AARP)	●	○
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)