

LOS ANGELES UNIFIED SCHOOL DISTRICT

SCHOOL CONSTRUCTION BOND CITIZENS' OVERSIGHT COMMITTEE

Rachel Greene, Chair

Tenth District PTSA

Bevin Ashenmiller

LAUSD Student Parent

Susan Linschoten, Secretary

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

Araceli Sandoval-Gonzalez

Early Ed. Coalition

Karen Krygier

L.A. City Controller's Office

Jeffrey Fischbach

CA Tax Reform Assn.

Greg Good

L.A. City Mayor's Office

Michael Keeley

CA Charter School Association

Kate Mergen

Assoc. General Contractors of CA

Ron Miller

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

Scott Pansky

L.A. Area Chamber of Commerce

Dolores Sobalvarro

AARP

Kathryn Steinberg

31st District PTSA

Douglas Teiger

American Institute of Architects

Celia Ayala (Alternate)

Early Ed. Coalition

Arlene Barrera (Alternate)

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

Jose Zambrano (Alternate)

Tenth District PTSA

(Vacant)

LAUSD Student Parent

Joseph P. Buchman – Legal Counsel

Burke, Williams & Sorensen, LLP

Thomas A. Rubin, CPA

Oversight Committee Consultant

Timothy Popejoy

Bond Oversight Administrator

Daniel Hwang

Asst. Administrative Analyst

**1st Quarter Report FY 2018/19
July – September 2018**

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 2018/2019, the 3rd Quarter of Calendar Year 2018 (July – September).

II. Public Meetings

For the matters contained in this Quarterly Report, the BOC held two public meetings. These meetings were held on August 30, 2018 and September 20, 2018. The record of BOC member attendance for these meetings can be found in Exhibit 1. Agendas, resolutions, approved minutes, as well as information regarding BOC committee members may be accessed at: <http://www.laschools.org/bond>.

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III. Resolutions Adopted

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

August 30, 2018 BOC Meeting

- **2018-25** – Amendment to the Facilities Services Division Strategic Execution Plan to Define and Approve 61 Board Member Priority and Local District Priority Projects (August 30, 2018)
- **2018-26** – Amendment to the Facilities Services Division Strategic Execution Plan to Define and Approve Three Sustainable Environment Enhancement Developments for Schools (SEEDS) Projects (August 30, 2018)

September 20, 2018 BOC Meeting

- **2018-27** – Amendment to the Facilities Services Division Strategic Execution Plan to Define and Approve 28 Board Member Priority and Local District Priority Projects (September 20, 2018)
- **2018-28** – Addressing Urgent School Facilities Needs and Mitigating Facilities Bond Program Risks (September 20, 2018)

IV. Resolutions Not Adopted

- NA

V. Receipt of Reports and Correspondence

August 30, 2018 BOC Meeting

- Consolidated Monthly Program Status Report (data through 05/15/18)
- Consolidated Monthly Program Status Report (data through 06/15/18)
- Consolidated Monthly Program Status Report (data through 07/15/18)
- Office of the Inspector General Annual Report to the Board of Education FY 2018

September 20, 2018 BOC Meeting

- Consolidated Monthly Program Status Report (data through 08/15/18)
- Information Technology Division Quarterly Program Status Report: Q2 2018

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VI. BOC Member Activities

- None

VII. Board of Education Presentations

- None

VIII. Task Force/Subcommittee Activities

- None

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) and Q (2008), state bond funds and developer fees.

The current managed program is the School Upgrade Program (SUP) adopted by the Board of Education in January 2014. The SUP is composed of 18 program categories, known as “spending targets,” with a total budget of approximately \$7.8 billion.¹ The SUP is primarily funded by District Bond Measure Q (\$7 billion). The majority of SUP projects, approximately \$7.24 billion, or 93% of the total SUP budget, is managed by the Facilities Services Division (FSD).²

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

¹ The total LAUSD bond program includes approved projects which are managed within the 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 Division (ITD), Transportation Services Division (TSD), Chief Financial Officer (CFO) and Office of the Inspector General (OIG).

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FSD Quarterly Program Highlights:

- Total quarterly FSD bond fund expenditures: \$210M (by month: Jul. - \$64.8M, Aug. - \$79.5M, Sep. - \$65.7M).
- Number of FSD projects achieving Substantial Completion reported this quarter: 101
- Number of FSD projects achieving Notice to Proceed Construction reported this quarter: 64
- As of September 15, 2018, the cumulative change order rate for all project types was 8.74%

The Information Technology Division (ITD) Quarterly Program Status Report for this period is included in the September 20, 2018 BOC agenda and meeting materials.

See section “II. Resolutions Adopted” in this report for a summary of SUP proposed projects considered by the BOC this quarter. All BOC meeting materials and proposed project reports are available at www.laschools.org/bond.

X. Committee Member—Appointments/Resignations/Elections

- The BOC’s Election of At-Large Executive Committee Members was held on September 20, 2018. Araceli Sandoval-Gonzalez and Karen Krygier were elected as At-Large Executive Committee Members.

XI. BOC Budget

The BOC’s Annual Budget for the July 1, 2018-June 30, 2019 Fiscal Year is \$592,808.00. Actual expenditures from July through September 2018 were \$79,427.12 or 13.4% of the budget.

	FY 18/19 Budget	Expenditures		YTD% of Budget Expended
		1st Quarter (FY)	YTD	
Professional Service Contracts	\$249,156	\$3,435.30	\$3,435.30	1.4%
Office	\$343,652	\$75,991.82	\$75,991.82	22.1%
Totals	\$592,808	\$79,427.12	\$79,427.12	13.4%

XII. BOC Member Requests

- None

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1st Quarter Report (July 1 through September 30) for fiscal year 2018/2019 approved and submitted by staff on May 9, 2019.

/Timothy Popejoy/

Timothy Popejoy Administrator
Bond Oversight Committee

EXHIBIT 1

Bond Oversight Committee Meeting Attendance for
1st Quarter of FY 2018-19 Ending September 2018

Name	(No July Meeting)	Aug 30, 2018 Regular Meeting	Sep 20, 2018 Regular Meeting
Ashenmiller, Bevin (LAUSD Student Parent)		●	●
Ayala, Celia** (Early Education Coalition)			
Barrera, Arlene** (L.A. County Auditor/ Controller's Office)			
Fischbach, Jeffrey (CA Tax Reform Association)		●	●
Good, Greg (L.A. City Mayor's Office)		●	○
Greene, Rachel* (Tenth District PTSA)		●	●
Keeley, Michael (CCSA)		●	●
Krygier, Karen (L.A. City Controller's Office)		●	●
Linschoten, Susan* (L.A. County Auditor/Controller's Office)		●	●
Mergen, Kate (Associated General Contractors of CA)		●	○
Miller, Ron (L.A./Orange Co. Building & Construction Trades Council)		●	●
Pansky, Scott (Chamber of Commerce)		○	○
Sandoval-Gonzalez, Araceli* (Early Education Coalition)		●	○
Sobalvarro, Dolores (AARP)		●	●
Steinberg, Kathryn (31st District PTSA)		○	○
Teiger, Douglas (American Institute of Architects)		●	●
Zambrano, Jose** (Tenth District PTSA)			

● = Present ○ = Absent

Blank Cell = Alternate Member Not Present, or Alternate Member Filled In for Active Member

-- = Non-Committee Member at time of Meeting

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