

## 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

**Joseph P. Buchman – Legal Counsel**

Burke, Williams & Sorensen, LLP

**Lori Raineri and Keith Weaver – Oversight Consultants**

Government Financial Services Joint

Powers Authority

**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**

31<sup>st</sup> District PTSA

**Dr. Bevin Ashenmiller (Alternate)**

Tenth District PTSA

**Ashley Kaiser (Alternate)**

Assoc. General Contractors of CA

**Connie Yee (Alternate)**

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

**Vacant**

Senior Citizens' Organization

**Vacant**

LAUSD Student Parent

**Timothy Popejoy**

Bond Oversight Administrator

**Perla Zitle**

Bond Oversight Coordinator

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## 1st Quarter Report FY 2024/25

### July – September 2024

#### I. Overview

The mission of the School Construction Bond Citizens' Oversight Committee (BOC) is to oversee the expenditure of funds 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 obligation to the public and pursuant to the BOC Charter and Memorandum of Understanding (MOU) with the District. This report covers activities of the BOC during the 1st Quarter of the Fiscal Year 2024/2025, the 3rd Quarter of Calendar Year 2024 (July - September).

The BOC typically receives three monthly reports from the Facilities Services Division (FSD) regarding financial and project budget and schedule data. This informs the SUP Summary that the BOC prepares for its monthly meetings, and the Consolidated Monthly Program Status Report is included each month in the BOC's meeting materials with the CFE Report presentation tab. The most recent reporting is through September 15, 2024.

#### 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.

## **II. Public Meetings**

For the matters contained in this Quarterly Report, the BOC held two public meetings. These meetings were held on August 1, 2024 and August 29, 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.

### **August 1, 2024 BOC Meeting**

- **2024-26** – Green Schoolyards for All Task Force (August 1, 2024)
- **2024-27** –Authorization to Increase the Charter Augmentation Grant for the Vaughn Next Century Learning Center New Two-Story Addition Project and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (August 1, 2024)
- **2024-28** – Recommending Board Approval to Define and Approve 25 Board District Priority and Region Priority Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (August 1, 2024)

### **August 29, 2024 BOC Meeting**

- **2024-29** – Recommending Board Approval for 13 Board District Priority and Region Priority Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (August 29, 2024)

## **IV. Resolutions Not Adopted**

- **None**

## **V. Receipt of Reports and Correspondence**

### **August 1, 2024 BOC Meeting**

- Chief Facilities Executive’s Report (Information Only)
- ITS BOC Quarterly Program Status Report Q1 2024 (January 1 – March 31, 2024) (Information Only)

## **August 29, 2024 BOC Meeting**

- ITS BOC Quarterly Program Status Report Q2 2024 (April 1 – June 30, 2024) (Information Only)
- Venice High School Comprehensive Modernization Project Technical Evaluation Report (Information Only)
- FSD Response to Findings: Venice High School Comprehensive Modernization Project Technical Evaluation Report (Information Only)
- Proposed New 2024 LAUSD Local Bond Measure and Priorities, Funding Targets, and Implementation Strategies (Information Only)

## **VI. BOC Member Activities**

- None

## **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 was originally chaired by member Michael Hamner and included Margaret Fuentes, Dr. Samantha Rowles and Dr. Clarence Monteclaro. 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.

On August 1, 2024, the BOC adopted a resolution establishing a Green Schoolyards for All Task Force. Member Aleigh Lewis serves as Chair. The Task Force membership also includes members Sandra Betts, William Ross, and Michael Hamner, *ex-officio*. Additional non-BOC members on the Task Force include Teresa Dahl and Bevin Ashenmiller. The purpose of the Task Force is to learn more about the District’s implementation of its *Green Schoolyards for All resolution* and Plan. The Task Force has drafted a Work Plan and will meet monthly working with District staff to arrange various presentations and discussions. The culmination of the Task Force will likely be a Final Report that may include observations and recommendations related to implementation of the District’s policies and plans.

### **Bond Oversight Committee**

333 S. Beaudry Avenue, 23<sup>rd</sup> Floor, Los Angeles, CA 90017

✦ Phone: 213.241.5183 ✦ boc@laschools.org ✦ <https://www.lausd.org/boc>

## **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.<sup>1</sup> 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).<sup>2</sup>

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. This process as it relates to the BOC is specified in the MOU with the District.

FSD Quarterly Program Expenditures and Change Order Rate:

- Total quarterly FSD bond fund expenditures by month: \$95.8M for July and \$101.0M in August. Expenditure data for September was not available at the time of publication of this report.
- As of September 15, 2024, the cumulative change order rate for all project types was 13.12%.

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. Neelura Bell, CA Charter Schools Association, reappointed on August 30, 2024.

Mr. William Ross IV, Thirty-First District PTSA reappointed on August 30, 2024.

Mr. Brian Mello, Associated General Contractors of CA, reappointed on September 10, 2024.

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<sup>1</sup> As of 9/30/24. 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.

<sup>2</sup> 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. Ashley Kaiser, Associated General Contractors of CA, appointed as an alternate member on September 10, 2024.

## XI. BOC Budget

The BOC's Annual Budget for the July 1, 2024 – June 30, 2025 Fiscal Year is \$680,359.00. Total Year-to-Date expenditures were \$133,824.22 or 20% of the budget.

	FY 24/25 Budget	Expenditures		YTD% of Budget Expended
		1st Quarter (FY)	YTD (FY)	
<b>Professional Service Contracts*</b>	\$170,000	\$0	\$0	0%
<b>Office**</b>	\$510,359	\$133,824.22	\$133,824.22	20%
<b>Totals</b>	\$680,359	\$133,824.22	\$133,824.22	20%

\*Year-to-date (YTD) expenditures for Professional Services Contracts are reported as actual payments and may reflect a lag in time between provision of and invoicing for services rendered and actual payment. Expenditures for services provided during this quarter are not yet reflected in District financial data systems.

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

## XII. BOC Member Requests

- On September 24, 2024, the BOC submitted a letter signed by its officers to the Superintendent regarding questions about the District's proposed Bond Measure US. On October 8, 2024 the Superintendent forwarded a response to the letter to the BOC addressing some of the questions. The Superintendent's letter also identified District staff who would be available to address further BOC questions regarding the bond measure. Bond Measure US is on the November 5, 2024 ballot.
- Mr. Pansky made a request to the District to provide a more detailed summary of Board District and Region Priority Project allocations and balances.

Fourth Quarter Report (July 1 through September 30) for fiscal year 2024/2025 approved and submitted by staff on November 7, 2024.

/Timothy Popejoy/

Timothy Popejoy

Administrator

Bond Oversight Committee

### Bond Oversight Committee

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# **EXHIBIT 1**

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## Bond Oversight Committee Meeting Attendance for 1st Quarter of FY 2024-25 Ending September 2024

<u>Name</u>	August 1, 2024 Regular Meeting	August 29, 2024 Regular Meeting
Bell, Neelura (CA Charter School Association)	●	●
Betts, Sandra (CA Tax Reform Association)	●	●
Boggio, Chad (L.A. Co. Federation of Labor AFL-CIO)	○	●
Campbell, Robert (L.A. County Auditor/Controller's Office)*	●	○
Hamner, D. Michael (American Institute of Architects)	●	●
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)	○	●
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)