

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

Dr. 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

Brian Mello

Assoc. General Contractors of CA

Dr. Clarence Montecarlo

Tenth District PTSA

William O. Ross IV

31st District PTSA

Santa Ramirez (Alternate)

Tenth District PTSA

Connie Yee (Alternate)

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

Vacant

AARP

Vacant

L.A. City Mayor's Office

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

**3rd Quarter Report FY 2023/24
January – March 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 3rd Quarter of the Fiscal Year 2023/2024, the 1st Quarter of Calendar Year 2024 (January - March).

At the time of this report, the BOC has received FSD financial and schedule project updates through February 15, 2024. There continues to be about a one-month lag in some financial and project reporting from FSD. This is attributed to some residual 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.

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 four public meetings. These meetings were held on January 11, 2024, February 1, 2024, February 29, 2024, and March 28, 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.

January 11, 2024 BOC Meeting

- **2023-38** – Recommending Board Approval for the Amendment of the Information Technology Services Strategic Execution Plan to Approve the Network Infrastructure Modernization Project (January 11, 2024)
- **2023-39** – Recommending Board Approval for the Amendment of the Information Technology Services Strategic Execution Plan to Approve the School Network Systems Upgrade, Phase 2 (January 11, 2024)
- **2023-40** – Recommending Board Approval for the Amendment of the Information Technology Services Strategic Execution Plan to Approve the Intelligent School Network Controls Project (January 11, 2024)
- **2024-01** – Recommending Board Approval to Define and Approve the Angeles Mesa Elementary School Auditorium Ceiling Replacement Project and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (January 11, 2024)
- **2024-02** – Recommending Board Approval to Define and Approve Six Board District Priority and Region Priority Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (January 11, 2024)

February 1, 2024 BOC Meeting

- **2024-03** – Recommending Board Approval to Define and Approve the Nevin Avenue Elementary School Library Renovation Project and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (February 1, 2024)
- **2024-04** – Recommending Board Approval to Define and Approve Six Board District Priority and Region Priority Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (February 1, 2024)

Bond Oversight Committee

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

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

February 29, 2024 BOC Meeting

- **2024-05** – Recommending Board Approval to Define and Approve 15 Board District Priority and Region Priority Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (February 29, 2024)
- **2024-06** – Recommending Board Approval to Define and Approve Three Classroom Replacement Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (February 29, 2024)
- **2024-07** – Recommending Board Approval to Define and Approve the Bridge Street Elementary School Critical Barrier Removal Project and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (February 29, 2024)
- **2024-08** – Recommending Board Approval to Define and Approve Three Athletic Facilities Upgrade Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (February 29, 2024)
- **2024-09** – Recommending Board Approval to Define and Approve Eight Playground and Campus Exterior Upgrade Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (February 29, 2024)

March 28, 2024 BOC Meeting

- **2024-10** – Recommending Board Approval to Define and Approve the East Los Angeles Occupational Center Classroom Replacement Project and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (March 28, 2024)
- **2024-11** – Recommending Board Approval to Define and Approve Six Internet Protocol Converge Projects at Adult and Career Education Campuses and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (March 28, 2024)
- **2024-12** – Recommending Board Approval to Define and Approve 13 Board District Priority and Region Priority Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein (March 28, 2024)

IV. Resolutions Not Adopted

- N/A

V. Receipt of Reports and Correspondence

January 11, 2024 BOC Meeting

- ITS BOC Quarterly Program Status Report Q3 2023 (July 1-September 30, 2023) (Information Only)
- Chief Facilities Executive's Report (Information Only)

February 1, 2024 BOC Meeting

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- Chief Facilities Executive’s Report (Information Only)

February 29, 2024 BOC Meeting

- ITS BOC Quarterly Program Status Report Q4 2023 (October 1-December 31, 2023) (Information Only)
- Chief Facilities Executive’s Report (Information Only)
- 2023 Information Technology Services Strategic Execution Plan, dated February 22, 2023

March 28, 2024 BOC Meeting

- FY23 - Bond Performance & Financial Audit Reports (Information Only)
- Eco-Sustainability Office Overview (Information Only)
- Chief Facilities Executive’s Report (Information Only)
- Various Articles Regarding Synthetic Turf, prepared by Aleigh Lewis (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 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.

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.

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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 \$14.4 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: \$88.1M for January, and 70.1M for February 2024. Expenditure data for the month of March was not available at time of publication of this report.
- As of March 15, 2024, the cumulative change order rate for all project types was 14.26%.

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

None.

¹ As of 2/29/24. 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).

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 \$404,975.43 or 62% of the budget.

	FY 23/24 Budget	Expenditures		YTD% of Budget Expended
		3rd Quarter (FY)	YTD (FY)	
Professional Service Contracts	\$214,000	\$36,705.35	\$51,669.30*	24%
Office	\$434,540**	\$115,027.06	\$353,306.13	81%
Totals	\$648,540	\$151,732.41	\$404,975.43	62%

*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.

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

XII. BOC Member Requests

- None

Third Quarter Report (January 1 through March 31) for fiscal year 2023/2024 approved and submitted by staff on April 25, 2024.

/Timothy Popejoy/

Timothy Popejoy

Administrator

Bond Oversight Committee

EXHIBIT 1

Bond Oversight Committee Meeting Attendance for 3rd Quarter of FY 2023-24 Ending March 2024

<u>Name</u>	January 11, 2024 Regular Meeting	February 1, 2024 Regular Meeting	February 29, 2024 Regular Meeting	March 28, 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)	●	●	●	●
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)	●	●	○	●
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)