MEMORANDUM

DT: October 6, 2005

TO: Prop A 2003 Citizen’s Bond Oversight Committee
Patricia Crawford, Nick Driver, Shirley Herndon, Georgia Lee, Nan McGuire,
Hydra Mendoza, Jim Quadra, Wade Randlett, Lisa Stevens

FM: Leonard Tom
Bond Program Manager


I have enclosed for your review and comment a copy of the financial report for the Prop A 2003 Bond Program, effective for August 31, 2005. The figures in this report are preliminary and unaudited. These figures do not represent final expenses through the end of Fiscal Year 04/05, only payments made and reported in the District’s accounting system as of the date of the report. Invoices for products delivered or services rendered through June 30, 2005, are still being processed and will be reported at a later time.

The basic program budget has been increased from $337.226 million to $337.380 million. This is due to higher than projected State Prop 55 funding at Charles Drew Alternative Elementary School. Drew qualified for $1,165,453 of State funds versus the $1,011,321 previously projected (a net increase of $154,132). The net increase will be retained in an expanded budget for Drew.

As projects that are eligible for State Prop 55 funding complete their design phases the programwide budget will be revised as final eligibility is determined and State approvals are received. I am also tracking interest accrued on unexpended bond funds. At the end of August, the programwide contingency stood at $2.633 million.

For the first time I am showing budget, expenditures and balances for FY 05/06. Project-to-date figures for budget and expense can be found in the latter three columns on the right side of each report page. “Bud-to-Date” is a combination of the Budget columns for the two fiscal years minus the unexpended balance of FY 04/05. “Exp-to-Date” combines the Exp columns for the two fiscal years. “Total Project Budget Bal” subtracts “Exp-to-Date” from “Bud-to-Date.”

Please be aware that there are negative numbers in the “Total Project Budget Bal” column for 17 of the projects. These are the schools that have State Prop 55 funding. The State funds have not been received and therefore, not entered into the accounting system. Prop A funds are temporarily “carrying” the State funded portion of the budget until those funds are received and formally acknowledged. At the end of August, the State had formally awarded the first grant of $999,414 to Bryant Elementary. Receipt of those funds is anticipated by the beginning of October.

As of August 31, 2005, the Board of Education had approved $39.948 million of contracts for the Bond Program and the Program had actually expended $9.519 million. The amount paid during the month of August was about $1.052 million. A majority of the expense went to architectural design fees, construction, site preparation and relocation, plus the District’s programwide staffing and Primary Executive Architect costs.
Planning and design work is currently complete at 6 and ongoing at 26 of the 33 projects in the Bond Program. The remaining project (O’Connell) is in the process of being reassigned from the Department of Public Works to a private architectural firm. Construction at one school site (Bryant Elementary) began in June and is currently about 80% complete. Construction at Bret Harte Elementary began in July and is proceeding on schedule. Preconstruction activities at Thurgood Marshall High School and Rosa Parks Elementary School were completed in August, to prepare for the opening of school and pending construction at those schools in September.

Please call me at (415) 241-6151 with any questions that you may have about this report.

cc: David Goldin, Joe Grazioli, Genevieve Hahn, Josie Cruz, Myong Leigh
    Bruce Hart, Jeff Stahl, Toks Ajike, Erin Hirst, James Wong

H: Program Administration/financial report cover August 2005