MEMORANDUM

DT:      November 10, 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 September 30, 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 $337.380 million to $337.705 million. That is
due to recognition of interest accrued on unspent bonds through the end of FY 05 (net increase of
$444,615 from the previous financial report), and lower than projected State Prop 55 funding at
Sherman and Commodore Sloat Elementary Schools. Sherman qualified for $2,290,590 of State
funds versus the $2,391,050 previously projected (a net decrease of $100,460). The net
decrease for Sherman will be transferred from the programwide contingency fund to the Sherman
budget to maintain the current funding level for that project. Commodore Sloat qualified for
$1,254,532 of State funds versus the $1,273,804 previously projected (a net decrease of
$19,272). The budget for Commodore Sloat will remain unchanged as the net change is
insignificant.

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
September, the programwide contingency stood at $2.977 million.

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 September, the State had formally awarded the second
grant of $1,185,222 to Bret Harte Elementary. Receipt of those funds is anticipated by the
beginning of November.
As of Sept. 30, 2005, the Board of Education had approved $51.549 million of contracts for the Bond Program and the Program had actually expended $11.583 million. The amount paid during the month of September was about $2.064 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 7 and ongoing at 25 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 87% 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 and Notices to Proceed were issued in September. Bids on the fifth project (Charles Drew) were received in September.

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

Enclosure

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 Sept 2005