MEMORANDUM

DT: December 14, 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 October 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 decreased from $337.705 million to $337.704 million. That is due to a $530.00 correction (net reduction) to the programwide contingency fund.

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. During the month $150,000 was transferred from the programwide contingency fund to the project budget for Dr. Charles Drew Elementary. The lowest construction bid on that project came in at $2.526 million (approximately $330 thousand higher than the original construction budget) and the transferred amount will be enough to enable us to proceed. At the end of October, the programwide contingency stood at $2.827 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 currently negative numbers in the “Total Project Budget Bal” column for 15 of the projects. These are schools that have State Prop 55 funding. The State funds have not been received for those projects 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 October, the State had formally awarded the third and fourth grants of $1,835,465 to Rosa Parks Elementary and $6,689,135 to Thurgood Marshall High School. Receipt of those funds is anticipated by the beginning of December.
As of Oct. 31, 2005, the Board of Education had approved $54.791 million of contracts for the Bond Program and the Program had actually expended $14.340 million. The amount paid during the month of October was about $2.757 million. A majority of the expense went to design fees, construction and construction management, plus the District’s programwide staffing and Primary Executive Architect costs.

Planning and design work is currently complete at 9 and ongoing at 24 of the 33 projects in the Bond Program. 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. Construction at Thurgood Marshall High School and Rosa Parks Elementary School started in September and is proceeding on schedule. Notice to Proceed at Dr. Charles Drew Elementary was issued and bids were received for Commodore Sloat Elementary in October.

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

Enclosure

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