MEMORANDUM

DT: April 25, 2006

TO: Prop A 2003 Citizen’s Bond Oversight Committee
   Patricia Crawford, Nan McGuire, Christine Leishman, Craig Issod

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 February 28, 2006. The figures for Fiscal Year 05/06 in this report are preliminary and unaudited. This report now includes audited final expenses through the end of Fiscal Year 04/05. Copies of the FY 04/05 audit reports are enclosed with this report.

The basic program budget has been increased from $338.425 million to $339.226 million (a net increase of $0.801 million). That is due to an increase in accrued interest reported through February 2006 ($800,958) available to the program.

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. For this month’s report there are no changes in State Prop 55 funding.

Bids were received for the projects at Horace Mann MS and SF Community Alternative School in February. Both bids were within budgeted amounts so no allocations were needed from programwide contingencies to keep the projects moving forward.

With the absence of changes this month and the increase in accrued interest, the programwide contingency stood at $8.828 million at the end of February.

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” combines the Budget columns for the two fiscal years and subtracts the unexpended balance of FY 04/05. “Exp-to-Date” combines the Exp columns for two years. “Total Project Budget Bal” subtracts “Exp-to-Date” from “Bud-to-Date.”

Please be aware that there are currently negative numbers in the Prop A portion of the “Total Project Budget Bal” column for 16 of the projects. These are schools that have State Prop 55 funding. The State funds are not credited against Prop A funds until a reimbursement of expenditures has occurred. Prop A funds are therefore, temporarily “carrying” the State funded portion of the budget until those funds are received, formally acknowledged by the Board of Education and used to reimburse prior expenditures.

As of Feb. 28, 2006, the Board of Education had approved $84.673 million of contracts for the Bond Program and the Program had actually expended $25.320 million. The amount paid during February was about $4.628 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 18 and ongoing at 14 of the 32 projects in the Bond Program. In February, construction was ongoing at nine sites. Construction at Bryant Elementary began in June 2005 and is currently 99% complete. Construction at Bret Harte Elementary (48% complete), Thurgood Marshall High School (20% complete), Rosa Parks Elementary (39% complete), Dr. Charles Drew Elementary (23% complete), Commodore Sloat (16% complete) and Clarendon (8% complete) is proceeding on schedule. Construction started at Alvarado and Sherman elementary schools in January. A construction contract for Horace Mann was awarded in February. Three projects were advertised for bids in February 2006 (ER Taylor, West Portal and Leonard Flynn).

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

Enclosures

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