

Bond Execution Plan
2020 Capital Improvement Bond
 DRAFT 12/7/2020

Portland Public Schools (District) is charged with overall execution of the \$1.2B capital construction bond program (2020 Bond Program) approved by voters on November 3, 2020. The Office of School Modernization (OSM) will be responsible for managing the 2020 Bond Program under the direction of the Chief Operating Officer and Superintendent. The majority of the 2020 Bond Program projects are planned to be completed by the end of 2025 (one notable exception being the Jefferson High School Modernization project, which is anticipated to be fully complete in 2028). Construction activities will be planned and executed to minimize disruption to students and staff and ensure safety at all times. OSM project teams will be responsible for organizing and executing Modernization, Physical Facility Improvement, and Educational Improvement/SPED Learning Environment projects through the complete project lifecycle: planning, design, bid, and construction & post occupancy phases as appropriate. The Office of Technology and Information Services (OTIS) will be responsible for project-level organization and execution of Educational Improvement/Technology projects. The Office of Teaching & Learning (OTL) will be responsible for project-level organization and execution of Educational Improvement/Curriculum projects. OSM will maintain ultimate responsibility for financial oversight, tracking, and record keeping, as well as performance audit review and reporting to oversight bodies, for the Technology and Curriculum portions of the Educational Improvements, in addition to OSM’s oversight of the remainder of the 2020 Bond Program. OSM, OTIS and OTL will engage stakeholders to help shape and inform project organization, design and execution, with stakeholders including building level staff and students, District departments, District administrators, and the outside community.

2020 Bond Scope of Work

The 2020 Bond Program includes the following scope of work:

Modernizations	
2017 Bond Balance	\$152,000,000
MPG Building	\$64,000,000
Jefferson	\$311,000,000
Center for Black Student Excellence	\$60,000,000
Cleveland - Planning & Design	\$20,000,000

Wilson - Planning & Design	\$20,000,000
Roosevelt - Planning & Design	\$2,000,000
Capacity	\$10,000,000
Educational Improvements	
Technology	\$128,200,000
Curriculum	\$53,444,000
SPED Learning Environments	\$13,400,000
Physical Facility Improvements	
Roof	\$65,700,000
Mechanical	\$75,000,000
Security	\$25,900,000
Seismic	\$17,200,000
ADA	\$33,800,000
Contingency & Administration	
Administration	\$63,098,640
Contingency	\$93,257,360
TOTAL	\$1,208,000,000

Funds for **2017 Bond Balance** will be used to complete the 2017 Bond Program, in particular the completion of the modernization of Benson High School. The Benson High School Modernization project is partially funded by the 2017 Bond Program, and will have completed design through to permit documents by December 2020, with funding remaining in the 2017 Bond Program to pay for construction costs through the end of 2021. The remaining project costs will be paid for by the 2020 Bond Program.

The Multiple Pathways to Graduation Program will be located in a new, separate building located on the Benson High School campus. The purpose of the **MPG Building** is to accommodate the existing Multiple Pathways to Graduation programs that are currently operating within Benson High School, including Alliance, Reconnection Services, and DART/Clinton. It will also include the relocation of the Alliance program at Meek to the MPG building. The modernization of the existing Benson High School main building does not include bringing these programs back into the main building, as it has been recognized that the students need a facility designed more specifically for their learning needs. The MPG building will also house some shared services with Benson High School, such as the Teen Parent Center. The available 2017 Bond funding for the Benson Modernization project (including the MPG building) is being utilized for the design phase. Funds from the 2020 Bond Program will be used for construction of the MPG building. The funding includes \$2M to increase the structural system to Risk Category IV.

Funds for **Jefferson** will be used for the complete modernization of Jefferson High School, encompassing master plan, design, construction and occupancy/close-out phases. The Jefferson High School Conceptual Master Plan, completed by the 2017 Bond Program, will be used as the starting point for the Jefferson High School Modernization Master Plan.

Funds for the **Center for Black Student Excellence** will be used for master planning, design and initial implementation, including focused investments in the neighborhood schools surrounding Jefferson High School, toward a community vision of a Center for Black Student Excellence. This new collective impact effort channels the decades of visionary leadership and culturally responsive and pedagogically sustaining approaches of community-based nonprofits like Self Enhancement, Inc., and KairosPDX, among other Black-led, culturally specific organizations here in Portland. This emerging community-led concept seeks to unify and elevate the educational experience of Portland's Black children and their families, connecting a constellation of community schools, such as Boise Eliot/ Humboldt Elementary, Dr. Martin Luther King Jr. Elementary, Harriet Tubman Middle School, and Jefferson High School, and Black-led community-based organizations in the Albina Neighborhood.

Funds identified for **Cleveland - Planning & Design** will be used for initial phases of a complete modernization of Cleveland High School. These funds will provide budget for master planning, design, and pre-construction planning, with the intent to request funding for construction in a future bond measure. Efforts to secure funding for construction, and the potential timing of such funding, will be kept in consideration during planning and design, such to ensure the most efficient and effective transition to future construction. It is the intent of the 2020 Bond Program to hold for construction any funds that are not needed to complete master planning and design. The Cleveland High School Conceptual Master Plan, completed by the 2017 Bond Program, will be used as the starting point for the Cleveland High School Modernization Master Plan.

Funds identified for **Wilson - Planning & Design** will be used for initial phases of a complete modernization of Wilson High School. These funds will provide budget for master planning, design, and pre-construction planning, with the intent to request funding for construction in a future bond measure. Efforts to secure funding for construction, and the potential timing of such funding, will be kept in

consideration during planning and design, such to ensure the most efficient and effective transition to future construction. It is the intent of the 2020 Bond Program to hold for construction any funds that are not needed to complete master planning and design. The Wilson High School Conceptual Master Plan, completed by the 2017 Bond Program, will be used as the starting point for the Wilson High School Modernization Master Plan.

Funding in the amount of \$2M from the **Capacity** category has been budgeted to support design planning for the Roosevelt High School final phase to meet 1700 student capacity. The remaining funding will be used for additional Capacity-related projects.

The **Technology** category of this bond program includes devices for students and staff as part of the modernization project, as well as non-device components. One of the larger projects is a classroom modernization project that will provide foundational technology equipment which would normally happen in conjunction with a full scale school modernization effort. This project will bring wireless networking (WiFi), mounted projectors with wireless display capabilities, voice amplifications, and dedicated computing capabilities to every classroom in the district. Core infrastructure that has been neglected for many years will be replaced and upgraded. This includes the district's phone system, the network switching infrastructure, older WiFi access points, network interconnects, and data center hardware which many of the district's critical functions rely upon for their functionality.

The **Curriculum** funds of the 2020 Bond Program will be used to adopt comprehensive, culturally relevant and current curriculum and instructional resources and materials, across core subject areas, including language arts, math, science, the arts and social emotional learning. This investment will provide students with high-quality, standards-based instructional materials, will allow for a return to the Oregon textbook adoption cycle, and will support more innovative PPS vision-oriented courses of study (e.g. climate justice, ethnic studies, middle school redesign, experiential education and portfolios, computer science).

SPED Learning Environment funds will provide the resources to equip or update the current SPED learning environments in the District with furniture and fixed equipment aligned with PPS standards and identified by SPED leadership as high priority investments. The District currently supports 82 focus option SPED classrooms; many of these classrooms are overcrowded so some allowance for expansion is accounted for here. Beyond furniture and equipment aligned with PPS standards, this option includes an allowance for classroom modifications. These modifications include acoustic baffling, replacement of fluorescent lights with dimmable LEDs, and built-in casework, to name three important examples. Other SPED Learning Environment improvements may include adaptive playground equipment or other site-based improvements. Combined, the addition of District standard furniture and equipment with classroom modifications and targeted site improvements will support both the instructional requirements of special education staff and the sensory-needs of our students.

Roof funds will address roofing needs that are currently critical or will become critical over the term of the bond. The budget assumes approximately 12 roofs, with roughly 4 roofs capable of being completed

per summer. Roof replacements often include ancillary scope of work including roof level seismic improvements, additional building insulation, replacing outdated rooftop equipment, etc.

Mechanical deficiencies are PPS' largest facility need with dozens of schools having major mechanical system components in currently critical condition. Mechanical systems have many complex, dependent components making it challenging to predict a system's performance, identify the root cause of failure, design needed fixes and estimate the total cost. Detailed assessment by professional mechanical engineering firms will be necessary to determine how to resolve a failing or poor performing system. However, these funds provide the budget to complete 5 large mechanical projects each year at an average cost of \$5 million per project. They assume some projects will require full system replacement, while others will require only targeted improvements. This amount is anticipated to address approximately 15 of PPS' highest priority sites. Additional smaller projects will also be completed over the course of the bond.

Funds identified for **Security** will add locking hardware to all classroom doors throughout the district, updated intrusion alarm systems, and additional security cameras. Currently the majority of classrooms throughout the District require use of a key or a sub-standard lock to secure a classroom door. A portion of the funds will be used to upgrade all classroom door locks to the current district standard that allows for a door to be secured by hand from the inside of a classroom. Funds will also be used to upgrade or replace intrusion alarm systems to allow for remote control and integration with other building security systems. The remainder of the funds will provide for installation of additional security cameras through District schools.

Seismic funds will be used to retrofit up to 3 smaller schools that are on the City of Portland URM database and are likely to be included in a full roof replacement as part of this bond effort. Performing seismic retrofit projects in coordination with full roof replacement projects ensures roof-level seismic improvements take place at the same time, to create a building-wide seismic upgrade.

Funds called out for **ADA** accessibility will allow the District to remove barriers at the main level of all school buildings district-wide. Main-level accessibility will include portions of the site necessary to reach the main entrance from the bus or drop-off area, the main entrance, and access to essential programming. Here, 'essential programming' includes an individual's classroom(s), the cafeteria, library, gym, and one or more accessible restroom(s).

Administration funds are used to address administrative costs of running the program, including: staffing; office supplies and furniture; computer equipment; professional services for program-wide use, such as audits; bond issuance costs; insurance; and other miscellaneous costs.

Program **Contingency** is a risk management tool used to buffer against unanticipated costs. Program contingency is available to cover costs including: estimating errors; discretionary scope additions; higher than anticipated escalation costs; building code or zoning code changes; emergency facility needs; pandemic related cost impacts; additional staff and resources for community engagement; or

any other unanticipated cost whether it be discretionary or nondiscretionary. All program contingency funds are ultimately allocated to and spent on capital projects.

Board and Community Input and Oversight

As is currently done with 2012 and 2017 Bond Programs, OSM expects to report progress of the 2020 Bond Program work to the **Board of Education** at regular intervals and update status transparently through PPS's public website. Other Program related activities such as master plan approvals, project briefings, Board work sessions, use of program contingency, ground breakings, ribbon cuttings and other significant events may be addressed in separate Board sessions or as invitations to events.

The **Bond Accountability Committee (BAC)** already established for the 2012 and 2017 Bond Programs will include the scope of the 2020 Bond Program to ensure the objectives of the voter-approved initiative are met. The BAC reports directly to the Board and meets at least quarterly. BAC meetings are publicly noticed and open to public comment.

As is now standard for OSM modernization projects, **Master Plan Advisory Committees (MPACs)** will also be established for the master plan phase of each of the three Modernization projects: Jefferson High School Modernization; Cleveland High School Planning & Design; Wilson High School Planning & Design. Members may include teachers, students, parents/guardians, neighbors, community business leaders and other interested parties. When the projects move into the design phase, project **Design Advisory Groups (DAGs)** will be established. Each project will have MPACs and DAGs unique to that community. Members of the Master Plan Advisory Committees will be invited to continue participation via the DAGs, but new members may also join at that time. Extensive community engagement will be accomplished through a variety of design charrettes, open houses and other forums as a standard practice with each of these projects.

Prior, and in addition, to the standard community engagement processes noted above, PPS will be engaging in an intensive dialogue with the community about strategies to support Black student achievement. The Jefferson High School Modernization and Center for Black Student Excellence projects together are intended to provide a set of cohesive and comprehensive PK-12 school environments that support a culturally-responsive community vision. The PPS Department of Community Engagement will be collaborating with a coalition of community partners to engage students, families, and community stakeholders in developing a coherent set of strategies that will positively impact student achievement and outcomes while affirming Black student identity. These efforts will start in January 2021 and last several months prior to beginning master plan phases in Fall 2021 for the Jefferson High School Modernization and Center for Black Student Excellence projects. Community engagement in the master plan phases will build on these efforts as design teams work to develop the physical environments that will best support the identified strategies and vision.

For the Curriculum portion of the 2020 Bond Program, **Curriculum & Instructional Resource Adoption Committees** will be established for each content area adopting new resources. The committees will be comprised of a diverse group of stakeholders and may include educators from across the district, central

office leaders, and local or national experts. Furthermore, extensive community engagement with students, parents, caregiver and family members will be accomplished through open houses, focus groups, and additional culturally-responsive feedback loops.

Performance Audits are conducted on a yearly basis with an update report that is presented to the BAC and Board of Education at the end of the fiscal year. Performance audits review specific focus areas of the bond program operations. These focus areas are determined each year through discussions between the performance auditors, PPS leadership, and the BAC. They frequently arise out of current issues, potential areas of concern noted in previous audits, or common bond operations challenges. The audit is conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS), commonly referred to as the “Yellow Book.” Audits include findings from the auditors and response from the District. Findings are tracked, implemented via a process improvement process when implementation is needed, and progress reported to the BAC on a quarterly basis.

Bond-funded construction projects also undergo payment process audits for both the architect and construction contracts, called **Construction Audits**. Construction audits are conducted at the end of the schematic design phase for the architectural design contract and approximately 6 months after the commencement of construction operations for the construction contract. The audit is intended to assess the payment application process and validate that the project team is conducting the reviews and subsequent payment approval in accordance with the requirements of the contract terms. This audit is utilized to help correct any issues with the review process to enable better and more efficient processing of future payment applications.

Project Management Office

The Office of School Modernization (OSM) will be responsible for 2020 Bond Program funding as a whole. OSM will manage projects for facility-related improvements, including Modernizations, Physical Facility Improvements, and Educational Improvement/SPED Learning Environments. Within OSM, projects are typically managed by project teams (see below for additional information). These project teams report to a Director of Construction, who reports to the OSM Senior Director. Project teams are supported by OSM operations staff who manage bond-specific finance, contracts, invoices, communications, and other technical and administrative logistics. Operations staff report to a Senior Manager of Business and Operations, who reports to the OSM Senior Director. Approval workflows for project expenditures and encumbrances route through the Director of Construction, OSM Senior Director, Chief Operating Officer, and Director of Purchasing & Contracting, in sequence depending on financial limits of authority. Approval workflows for budget transfers and fund moves within eBuilder, the OSM system of approval (see below for more information), route through the OSM Senior Manager of Business Operations and the OSM Senior Director.

The Office of Technology and Information Services (OTIS) will manage projects for the Educational Improvement/Technology category of work. The Office of Teaching & Learning (OTL) will manage projects for the Educational Improvement/Curriculum category of work. Expenditures and

encumbrances for non-OSM projects will follow the approval and levels of authority process standard within their PPS departments. They will then route to OSM for the approval workflows noted above.

All OSM-managed projects will have a **Project Team** with a designated lead Project Manager to be accountable and responsible for achieving established project outcomes including safety, scope, quality, budget and schedule over the entire duration of the project. Larger projects, such as the Modernization projects, will typically have a senior Project Manager that acts as team lead, supported by other Project Managers and Construction Managers. Construction Managers provide technical expertise on constructability and costs during design phases, and provide site observation and contract oversight during construction. Project Managers will typically be PPS employees, while Construction Managers will typically be contracted from outside project management firms. OSM has, and anticipates maintaining, on-call contracts with multiple project management firms to ensure quality and selection.

All Educational Improvement/Curriculum projects will be coordinated by a lead Project Manager and the Chief Academic Officer as Executive Sponsor. In addition, each content area adopting instructional resources will have a Project Team with a designated lead who will be accountable and responsible for achieving established project outcomes including scope, budget and schedule over the entire duration of the project. Content-specific leads will provide technical expertise on sound pedagogy, high-quality instructional resources, and culturally-responsive instructional practices.

Educational Improvement/Technology projects will be overseen by the Senior Director of Technology, in coordination with the Chief Technology Officer. OTIS expects to utilize external professional services contractors for project management. An OSM project manager/construction manager will manage facility-related improvements needed for Technology projects and act as liaison between OSM and OTIS.

OSM maintains a **Program Management Plan (PMP)**, that provides key information about how the Bond programs are organized and administered. In addition to the PMP, standard procedures are collected into **Standard Operating Procedures (SOPs)**, used for training and reference for staff. The PMP and SOPs are regularly updated and ensure staff are following best practices. Project teams for Modernizations are required to develop a **Project Team Management Plan (PTMP)** to document basic project scope, budget, schedule and assumptions, as well as define team roles and responsibilities and identify any noteworthy project considerations.

Project Framework and Sequencing

Project planning and design for all construction projects will be informed by PPS's **Educational Specifications** and **Construction Design Guidelines**. The Jefferson High School, Cleveland High School, and Wilson High School modernization projects will also be informed by the **Conceptual Master Plans** completed in the 2017 Bond Program. **Comprehensive Master Plans**, that are developed at the start of planning and design, will provide the underpinning of project design for the Jefferson High School, Cleveland High School, and Wilson High School modernization projects, as well as the Center for Black Student Excellence project.

The Jefferson High School Modernization project will be the first modernization project of the 2020 Bond Program to move forward and the first to complete, with anticipated initial opening at the start of the 26-27 school year. While the 2020 Bond Program does not include funding to complete construction for the Cleveland High School and Wilson High School modernization projects, the projects will move forward with master planning and design on a timeline to allow for opening at the start of the 27-28 school year if construction funding is approved in a future bond.

Physical facility improvements, such as roof replacements, mechanical system replacements or major repairs, and seismic upgrades, are typically significant in their impacts on site occupants. These projects will be scheduled for summer construction to avoid impacting school staff and students. It is important to note that the schedule of projects also relies on both internal staff capacity and external market capacity. In other words, a limited number of these types of projects can occur in one summer, so the current forecasted schedule assumes it will take five years of construction to spend the 2020 Bond Program funds for these projects.

Some projects can occur year-round, because their impacts on occupancy are limited. This may include projects from the Security, SPED Learning Environments, ADA and Technology categories, or smaller-scale projects from other categories. Project managers will work closely with site administrators in coordinating projects and communicating to affected parties.

Instructional resource adoption will occur on the typical annual cycle, and adoption is intended to occur across 12 curricular areas over the next three years.

Purchasing of new technology devices for teachers, students and staff is already underway as part of the Device Refresh component of the Technology funds. OTIS is developing the schedule for the remaining components of the schedule. As several different types of planned upgrades may affect a given site, one important consideration being addressed in planning is to minimize the amount of disruption to a school site by coordinating multiple scopes of work to occur at the same time.

Project Selection & Prioritization

For the 2020 Bond Program categories that are based on a scope of work and not specific projects, it will be necessary to select and prioritize projects. The following describes how the selection and prioritization process will be determined.

The 2017 Bond Program specified funding for **Roof** repair and replacement projects. These projects have been steadily occurring since the start of that program, utilizing a selection and prioritization process previously approved by the Board. While selection and prioritization was initially based on 2009/2012 roof assessments, in coordination with work order data and maintenance input, a Facilities Condition Assessment (FCA) was completed in 2019 that has provided additional condition data. Staff anticipate continuing the selection and prioritization process currently occurring with the 2017 Bond Program projects, that utilizes FCA data, work order data, previous roof assessments and other input from maintenance field staff. Additional roof-specific assessments may be commissioned from

consultants. This process will also be coordinated with the Capital Improvement Plan currently under development. Roof replacement projects are already in design for the 2021 summer construction schedule, using 2017 Bond Program funds. Staff anticipates starting design for 2022 summer construction projects in Fall 2021, and will spend the prior months selecting, prioritizing, and planning those projects.

As noted above, **Seismic** projects are likely to occur in conjunction with Roof replacement projects, to ensure that roof-level seismic upgrades can occur in coordination with seismic improvements below the roof level. District-wide review of seismic needs will occur as part of the long-term capital planning process that is selecting and prioritizing Roof replacement projects.

The 2019 Facilities Condition Assessment reinforced the extent of **Mechanical** failures District-wide that was already obvious in work order data. The assessment data, however, does not identify: when system-wide replacements are needed versus component replacement; what systems should be replaced with; or the extent to which other building elements, such as walls or roofs, may be impacted in a replacement. Staff anticipate working within the capital improvement planning process to: identify a set of sites that have the greatest need due to mechanical failures; develop long-term goals with an understanding of maintenance, comfort, and sustainability concerns; and hire a consultant to do focused assessments and recommendations of these sites to determine what can be completed with the funds available. Staff will update the Board on the progress and outcome of this work over the next 6 months. While construction of larger projects will likely not occur until summer 2022, smaller and emergency needs are expected to be addressed on an as-needed basis beginning in spring/summer 2021.

Similar to other scopes of work, for the **Security** improvements staff will review Design Guidelines to ensure they are up-to-date with current standards. Classroom locks, intrusion alarm systems and security cameras have all been installed during recent Modernization projects per Design Guidelines, which will lessen the review time. Assessments of existing conditions will be needed to identify specific needs by site. Prioritization criteria were developed for the 2017 Bond Program security improvements. These criteria will provide a starting point, to be reviewed for new understandings and taking into account stakeholder feedback on the 2017 Bond prioritization criteria. Staff anticipates reviewing the proposed prioritization process with the Board in Summer 2021.

The **ADA** Transition Plan will be presented to the Board for approval in early 2021. The ADA Transition Plan identifies improvements needed by school and prioritization criteria. Scope refinement will be needed for each site, in conjunction with cost estimating. Staff anticipates beginning detailed scope definition by site shortly after Board approval of the ADA Transition Plan. Implementation of improvements is anticipated to occur in tandem with SPED Learning Environments improvements (see below).

While some work has been completed in updating relevant Education Specifications and Design Guidelines for **SPED Learning Environments**, some additional work will be needed. Studies will be

necessary to identify acoustic standards, and may be needed for other standards as well. A significant amount of internal stakeholder engagement has already been completed, but additional community engagement will be important. Assessments of existing SPED Learning Environments needs will be completed to determine which improvements are needed for each focus area. As special education and ADA communities frequently have overlap in physical support needs, staff anticipates prioritizing SPED Learning Environments improvements in tandem with ADA improvements.

School-based **Technology** upgrades, such as Device Refresh, Classroom Modernization, and Infrastructure and Security, are intended to bring all school sites up to the same level of improvement. OTIS staff are currently performing site-by-site evaluations to determine site-specific scope. This will help inform prioritization. Additional prioritization criteria, such as current asset failure, security vulnerabilities, and Racial Equity and Social Justice, will be developed and reviewed over the next 2-3 months.

Prioritization of instructional resource adoption for specific **Curriculum** areas is based on re-aligning with the Oregon Department of Education's 7-year adoption schedule, in context of the District's curriculum adoption progress. Some curricular areas may only need partial resource adoption while others will need full resource adoption.

Internal Stakeholder Engagement

OSM project teams will engage a variety of internal District staff in **Focus Group** meetings during planning, design and construction phases of work for Modernization, Physical Facility Improvement, Educational Improvement/SPED Classroom, and Capacity projects. These groups include but are not limited to: Building level staff, academic departments, Office of Teaching and Learning (OTL), Office of School Performance (OSP), Facilities and Asset Management (FAM), Nutrition Services, Transportation, Security, and Information Technology. During the planning and design phases of work, the internal groups along with any external committees, such as the MPACs or DAGs, will meet to review project details at pre-established milestones such as master plan, schematic design, design development and construction documents. Project updates and site visits will be coordinated during construction and the project closeout phase. OSM will also implement project **Steering Committees** for Modernization projects. These internal stakeholder committees, made up of OTL, OSP, and FAM leaders with decision-making authority, meet monthly to coordinate across departments in addressing specific issues.

Curriculum project teams will engage in a variety of internal engagement opportunities. Content leaders will work with educators across the district during project planning, reviewing and recommending of resources, field testing, and final selection of instructional materials. These groups include but are not limited to: building-level professional educators, building administrators, academic departments (such as Special Education, Talented & Gifted, English as a Second Language, Dual Language, and Social-Emotional Learning), Technology, Procurement & Contracting and the Office of School Performance. During the planning and implementation phases of work, the internal groups, along with any external committees, will meet to review project details and provide feedback on recommended resources.

Monthly updates will be provided to senior leaders in the Division of Instruction and School Communities to coordinate across offices and address any specific issues.

Procurement Strategy

PPS will use Board approved public contracting rules for all contracted services. PPS' adopted **Public Contracting Rules** will guide contracting efforts. Division 47 – Goods and Services rules will be used to acquire items not considered "intrinsic" to the building (and therefore not a part of the construction contract). Division 48 – Consultant selection: Architectural, Engineering, Land Surveying and Related Services rules will be used to obtain professional services needed to support public improvement construction contracts. Division 49 – Public Improvements rules will be used to acquire contractor services to construct public improvements. Staff may also use Personal Services contracts or Cooperative Agreements, as defined in Division 46, where needed.

Bond funded contracts will fully comply with the District's **equity in public contracting** including aspirational goals for minority, women and emerging small business; percentage requirements for apprenticeable trade participation; and requirements for provision of student career learning opportunities. In addition, District staff will engage in proactive outreach activities to maximize certified business participation and ensure full and open competition. OSM is currently focusing on developing additional strategies to more effectively support racial equity and social justice. This focus includes working closely with the Bond program's performance auditors to review how OSM currently supports business equity; reaching out to the Bond Accountability Committee for input on both specific and general concerns; and meeting with PPS Senior Leadership and other internal departments on a monthly basis to develop and review strategies.

The use of **alternative procurement** methods will be reviewed individually for each project. Typically, alternative procurements provide value for projects that have complex scope, significant potential unforeseen conditions or compressed schedules. The partnership model of alternative procurements such as Construction Manager/General Contractor agreements can also be beneficial for projects that will need cost and constructability feedback during design to substantially determine scope. OSM will consider lessons learned and alternative procurement analyses completed for previous, alternatively-procured PPS projects as part of any 2020 Bond Program alternative procurement decision. All alternative procurements will follow PPS adopted Public Contracting Rules, including any required Board approvals.

Budget and Financial Operations

The **Program budget** will account for the entire \$1.2B bond and any additional revenue received. Bond sale premiums, interest earned and other additional revenue sources will not be budgeted or forecasted until received. Additional revenue sources may become available over the course of the program, and budget allocations within the program may change based on the inclusion of grants, other revenue sources, Board decisions, or allocation of Program Contingency to individual projects.

Similar to the 2012 and the 2017 Bond Programs, the District's Enterprise Resource Planning system (currently PeopleSoft) will be the **financial system of record**. OSM's web-based Project Management Information System (currently eBuilder) will act as the **system of approval** for all Bond-funded expenditures and encumbrances, regardless of which District department is taking lead on project management. For purposes of record-keeping, auditability and accountability, all proposed, Bond-funded expenditures and encumbrances will be entered into eBuilder to follow a predetermined approval workflow that meets District requirements for financial and contractual limits of authority. Once approvals have been received through eBuilder, OSM Operations staff will transition and coordinate any needed additional steps with PeopleSoft or other District systems or departments, per the processes that are currently in place for 2012 and 2017 Bond Programs. Progress financial reports to the Bond Accountability Committee and the Board will be based on data in eBuilder. District financial audits will be based on data in PeopleSoft. The two systems are reconciled on a monthly basis.

PPS anticipates issuing bonds via a series of **bond sales**. The first sale is anticipated to be in late 2020. Future sales will depend on cash flow needs as the program progresses. OSM will work closely with Finance to coordinate issues and receipt of funds; cash flow needs that might impact investment strategies; and any constraints on fund use. Use of bond funds for PPS staff and public contracts must be deemed "capitalizable" as defined by GASB accounting rules and will be audited for compliance. Questions of bond compensability will be reviewed by a group of internal finance and leadership staff, utilizing external financial and legal resources, and the group will make recommendations for decision by the Chief Financial Officer.