

Office of School Modernization - Program
March 2022

STATUS AT A GLANCE

Legend:

	As planned: no concerns
	Caution: requires attention
	Impacts: impacts occurring

	As Planned	Caution	Impacts
Budget	X		
Equity		X	
Overall	X		

EQUITY

BUSINESS EQUITY

WORKFORCE EQUITY

		MBE	WBE	SDVBE	ESB	N-C	TOTAL	goal	MIN	goal	FEM	goal	APPR	req
		Cumulative	Current	4.83%	7.69%	0.05%	2.56%	0.67%	15.80%	18%	28%	25%	5%	14%
	Prior Report	4.85%	7.70%	0.05%	2.53%	0.63%	15.76%		28%		5%		24%	
12 Month	Current	4.21%	9.31%	0.00%	3.32%	0.94%	17.78%	18%						
	Prior Report	4.01%	8.72%	0.00%	2.85%	0.55%	16.13%							

Percent of payments made to Certified owned businesses, cumulative and 12-month rolling; Percent of labor hours of apprenticeable trades, cumulative

BUDGET

2012 PROGRAM	BUDGET		FUNDING		PROGRESS		FORECAST	
	Original Budget	Current Budget	Bond Funds	Other Funds	Actuals To Date	Additional Encumbered	Estimate At Completion	Over/Under
Franklin HS Mod	81,585,655	113,053,649	111,040,921	2,012,728	112,932,643	-	112,932,643	(121,006)
Grant HS Mod	88,336,829	158,993,225	155,772,451	3,220,774	158,697,789	159,046	158,856,835	(136,390)
Roosevelt HS Mod	68,418,695	101,817,857	97,314,738	4,503,119	101,817,857	-	101,817,857	-
Faubion Replace	27,035,537	50,115,627	34,109,383	16,006,244	50,028,171	-	50,115,627	-
Grant Upper Field	-	2,881,600	2,881,600	-	373,160	2,650,592	3,500,000	618,400
RHS Phase IV	-	6,362,016	6,362,016	-	6,066,980	91,016	6,147,673	(214,343)
Other Projects	123,441,923	118,132,652	113,322,295	4,810,357	118,132,652	-	118,132,652	-
<i>2012 Project Subtotals</i>								146,661
Administration	68,117,563	31,107,218	30,818,842	288,376	31,018,815	88,402	31,100,284	(6,934)
Contingency	25,063,798	361,074	361,074	-	-	-	-	(361,074)
<i>2012 Program Subtotals</i>								(368,008)
Totals	482,000,000	582,824,918	551,983,320	30,841,598	579,068,069	2,989,056	582,603,571	(221,346)

2012 Budget Notes

99% Spent

- Staff are working through closing out all non-active 2012 commitments and projects, and returning unspent funds to the Program.
- All remaining 2012 funding will go towards Grant Upper Field Improvements, due to pandemic-related cost increases.
- Remaining program contingency is being shown for transparency but, as noted above, will go to Grant Upper Fields to address any remaining budget needs and will not be available for any new projects.

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2017 PROGRAM	BUDGET		FUNDING		PROGRESS		FORECAST	
	Original Budget	Current Budget	Bond Funds	Other Funds	Actuals To Date	Additional Encumbered	Estimate At Completion	Over/Under
Benson HS Mod	202,000,000	116,317,073	116,304,434	12,639	48,437,568	249,703,509	321,277,451	204,960,378
Benson Swings	-	13,789,989	13,789,989	-	11,187,791	1,085,601	12,626,069	(1,163,920)
MPG Building	-	5,506,000	5,500,000	6,000	2,784,897	-	6,000	(5,500,000)
Lincoln HS Repl	187,000,000	242,500,000	242,500,000	-	150,606,885	82,172,115	239,559,607	(2,940,393)
Kellogg MS Replace	45,000,000	60,025,586	59,797,500	228,086	57,600,325	221,434	57,788,664	(2,236,922)
McDaniel Mod	146,000,000	204,677,847	201,000,000	3,677,847	198,428,747	2,491,666	201,185,390	(3,492,457)
Health & Safety	-	152,994,007	132,264,729	20,729,278	133,279,258	4,777,272	152,994,007	-
							<i>2017 Project Subtotals</i>	<i>189,626,686</i>
Administration	40,000,000	59,891,512	58,186,383	1,705,129	37,014,852	9,409,382	55,701,074	(4,190,438)
Contingency	20,000,000	23,137,932	23,137,932	-	-	-	(3,295,880)	(26,433,811)
Unallocated H&S	150,000,000	25,502,280	25,502,280	-	-	-	25,502,280	-
							<i>2017 Program Subtotals</i>	<i>(30,624,250)</i>
Totals	790,000,000	904,342,225	877,983,246	26,358,979	639,340,321	349,860,978	1,063,344,661	159,002,437

2017 Budget Notes

71% spent

- OSM is working on shifting the MPG project to 2020 funds per the 2020 Bond measure. While work occurs to shift commitments, expenditures and budget, OSM will report MPG across both 2017 and 2020. MPG was initiated using \$5.5M in 2017 funding and has since received an additional \$6,000 in grants. MPG is being shown in 2017 with an Estimate At Completion of \$6,000 to reflect that the \$5.5M in funding will be returned to the Benson project to fund its approved budget. Actuals and Additional Encumbered reflect those numbers as tied to the 2017 funding. The full Estimate At Completion for MPG (as per the updated budget presented to the Board Facilities & Operations Committee in November 2021) is shown under the 2020 Program financials.
- The McDaniel Modernization and Kellogg Replacement projects are under budget. Exact amounts to be returned to the Program are being refined as the project teams work through close-out. The Lincoln Modernization project is now forecasting roughly \$2.9M under budget but remains under construction, with Phase 2 not starting until summer 2022.
- The updated Benson Modernization budget was presented to the Board in November 2021. This number is shown in the Benson and Benson Swings estimates at completion above, for a total budget of \$333.9M not including MPG. After taking into consideration what will be returned from other projects, estimated savings in Bond Administration, and available Program Contingency, this will leave the 2017 Program with \$159M in shortfall. This will be addressed through the 2020 Bond line item addressing the 2017 Bond Balance (\$152M) and 2020 Program Contingency (current expected need of \$19.2M including MPG costs). Please see 2020 Bond financials below.
- 2017 Contingency continues to forecast \$12M in future interest earnings related to investments of 2017 bond sales proceeds. OSM is currently forecasting use of some of those funds for potential CAT liabilities and COVID-related project cost increases, but would still have \$3.3M remaining to add to existing \$23.1M contingency funds for use towards funding the Benson budget.

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2020 PROGRAM	BUDGET		FUNDING		PROGRESS		FORECAST	
	Original Budget	Current Budget	Bond Funds	Other Funds	Actuals To Date	Additional Encumbered	Estimate At Completion	Over/Under
Jefferson HS Mod	311,000,000	311,000,000	311,000,000	-	-	-	311,000,000	-
CBSE	60,000,000	60,000,000	60,000,000	-	-	-	60,000,000	-
Cleveland HS Design	20,000,000	20,000,000	20,000,000	-	-	-	20,000,000	-
Wilson HS Design	20,000,000	20,000,000	20,000,000	-	-	-	20,000,000	-
Roosevelt PhV Design	2,000,000	2,000,000	2,000,000	-	-	-	2,000,000	-
MPG Building	64,000,000	64,000,000	64,000,000	-	360,721	69,212,924	76,264,189	12,264,189
Curriculum*	53,444,000	60,234,067	53,444,000	6,790,067	16,191,747	3,707,366	60,234,067	-
Technology	128,200,000	130,700,000	128,200,000	2,500,000	47,781,153	15,971,325	130,700,000	-
Infra Projects	-	75,926,400	68,827,950	7,098,450	13,094,226	9,704,168	75,926,400	-
							<i>2020 Project Subtotals</i>	<i>12,264,189</i>
Administration	63,098,640	63,104,808	63,098,640	6,168	5,468,635	469,423	63,104,808	-
2017 Bond Balance	152,000,000	152,000,000	152,000,000	-	-	-	-	(152,000,000)
Contingency - OSM	93,257,360	122,837,473	122,837,473	-	-	-	103,570,847	(19,266,626)
Unalloc Proj Funds	241,000,000	170,828,394	170,828,394	-	-	-	170,828,394	-
							<i>2020 Project Subtotals</i>	<i>(171,266,626)</i>
Totals	1,208,000,000	1,252,631,142	1,236,236,457	16,394,685	82,896,483	99,065,206	1,093,628,706	(159,002,437)

2020 Budget Notes

7% spent

- As noted above, the MPG project is shown here with its 2020 funds. Until all actual costs and commitments have been transferred to 2020 funding, there may be some showing in both the 2017 and the 2020 program financials. The full MPG Estimate At Completion (as per the updated budget presented to the Board Facilities & Operations Committee in November 2021) is shown here. No program contingency funding has been transferred yet to address the over, so it is still shown.
- In order to show how the 2020 funds are intended to offset the 2017 Program balance, the 2017 Bond Balance line item is shown with the 2020 Administration items, and as a negative. The negative allows it to show as an offset to the 2017 Over amount (a positive) in the financials of the Overall Bond Program below.
- The 2020 Contingency line is showing in the Over/Under how much is currently estimated to be needed to offset the Benson and MPG updated budget needs. Staff is currently working to transfer funds to Benson and MPG projects, at which time this report will change to reflect the transfers.
- The Contingency line has been updated to reflect the addition of the bond premium amount of \$29,580,113 from the initial 2020 bond sale.
- Curriculum numbers on this report reflect only those funds/encumbrances/expenses that are tracked within eBuilder. Other, non-bond funds and expenses may be tracked outside of eBuilder, and will be reflected on Curriculum project status reports only.

OVERALL BOND PROGRAM	BUDGET		FUNDING		PROGRESS		FORECAST	
	Original Budget	Current Budget	Bond Funds	Other Funds	Actuals To Date	Additional Encumbered	Estimate At Completion	Over/Under
Totals	2,480,000,000	2,739,798,285	2,666,203,023	73,595,262	1,301,304,873	451,915,240	2,739,576,939	(221,347)

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PROGRAM NOTES

Approved Usage of Bond Funds

- OSM continues to work closely with PPS Finance to ensure individual bond expenditures meet bond compensability requirements. A Bond Compensability Committee meets every week to review compensability questions, particularly regarding technology and curriculum expenditures as these are new (to PPS) uses of bond funding.
- All bond-funded projects are reported to the Bond Accountability Committee. Criteria for selection of projects to be funded by the 2017 Health & Safety allocation have been previously presented to the Board and are available on OSM's webpages. Criteria for long-term selection of projects to be funded by 2020 Infrastructure allocations are being developed and will be shared with the BAC and Board shortly. Some roofing, mechanical, and seismic projects related to urgent health and safety needs or grant-matching deadlines have been moved forward, and are included in OSM reports to the BAC and the Board.

Bond Budget

- Please see budget notes above for more detailed information by bond measure.
- The BAC has requested an updated budget forecast for 2020 Bond projects due to recent pandemic-related cost impacts. Current work is centered around Infrastructure allocations that are not project-specific or tied to a specific number of projects. Many current projects are bidding high, however that may change in future years of this bond funding. Updated estimates will be provided for modernization projects as they complete master planning. Project status updates continue to provide information about any unanticipated cost increases.

Bond Scope

- Active 2012 projects include Grant Upper Field Improvements (in construction) and Roosevelt Phase IV (occupied, completing punchlist and closeout items). These are the final projects to be funded by 2012 funds.
- The 2017 projects of McDaniel HS Modernization and the Kellogg MS Replacement projects have been occupied. The teams are working through punchlists, small follow-up issues, and closeout. The Lincoln HS Modernization and the Benson HS Modernization projects are under construction. Health & Safety projects addressing asbestos, lead paint, security and water quality continue. Staff are working through returning unused funds from prior Health & Safety projects to the program, to determine next steps for funding additional projects.
- Please see note above about 2020 Infrastructure projects. The Jefferson HS Modernization project is in the RFP process of selecting an A/E team for master planning and design. Work on the Center for Black Student Excellence currently sits with PPS Community Engagement and other PPS departments. Work on the master planning and design for the Cleveland HS Modernization, the Ida B Wells HS Modernization, and Roosevelt Phase 5 will not start until 2023.

Bond Schedule

- The construction contract for Grant Upper Field Improvement project has been executed. Due to permit issues and pandemic supply chain delays, construction is not expected to be complete until May 2022.
- McDaniel HS Modernization and the Kellogg MS Replacement projects opened in Fall 2021. Lincoln remains on schedule to open the buildings (Phase 1) to students in Fall 2022. Work on the athletic fields and teen parent center (Phase 2) will start in Summer 2022. Benson and MPG are on schedule as well.
- Jefferson HS Modernization is slightly behind schedule but anticipates getting back on schedule during master planning and design. Master planning and design for the other modernizations will proceed in 2023 per the previously anticipated schedule. Infrastructure projects are moving forward with urgent needs (see notes above).