

Public comment related to an action item on the agenda will be heard immediately following staff presentation on that issue. Public

- |     |  |         |
|-----|--|---------|
|     | <u>STUDENT TESTIMONY</u>   | 6:10 pm |
| 3.  | <u>PUBLIC COMMENT</u>  | 6:25 pm |
| 4.  | <u>678'(17 5(35(6(17\$7,9(¶6 5(3257</u>                            | 6:40 pm |
| 5.  | <u>,17(5,0 683(5,17(1'(17¶6 5(3257</u>                             | 6:50 pm |
| 6.  | <u>QUARTERLY REPORT: BOND ACCOUNTABILITY COMMITTEE</u>             | 7:10 pm |
| 7.  | <u>QUARTERLY REPORT; CAPITAL IMPROVEMENT BOND</u>                  | 7:40 pm |
| 8.  | <u>BOARD CONSIDERATION: STEP 3 COMPLAINT APPEAL</u><br>action item | 8:00 pm |
| 9.  | <u>CASH MANAGEMENT POLICY</u> ±action item                         | 8:30 pm |
| 10. | <u>OREGON SCHOOL BOARD ASSOCIATION BALLOT VOTE</u>                 | 8:45 pm |
| 11. | <u>BOARD MEMBER CONFERENCE REPORTS</u>                             | 9:00 pm |
| 12. | <u>BUSINESS AGENDA</u>   | 9:15 pm |
| 3.  | <u>ADJOURN</u>   | 9:30 pm |

**Portland Public Schools Nondiscrimination Statement**

Portland Public Schools recognizes the diversity and worth of all individuals and groups and their roles in society. The District is committed to equal opportunity and nondiscrimination based on race; national or ethnic origin; color; sex; religion; age; sexual orientation; gender expression or identity; pregnancy; marital status; familial status; economic status or source of income; mental or physical disability or perceived disability; or military service.

## **MEMORANDUM**

**Date:** November 29, 2016  
**To:** Members of the Board of Education  
**From:** Bond Accountability Committee (BAC)  
**Subject:** 15th BAC Report to the Board

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### **Background**

## Current Issues

*Program Budget.* Staff has continued to provide budget information to us in a transparent format.

The total Bond Program has increased over the last quarter by almost \$400,000 to over \$551 million, of which \$271 million (49%) has been spent. Reflecting the activity level, 10% of the entire bond program was spent in the July . September quarter.

As staff advised during its most recent update, \$6 million has been transferred from program reserves to complete Franklin, and \$2.2 million transferred to Roosevelt as the first installment on the maker space addition. Remaining contingencies/reserves at the program level are now only \$5.8 million and there is no doubt that this is insufficient to complete the original program. This means that the scope of IP 2017/18/19 work will have to be re-thought. Although we do expect some additional bond premium from the next bond sale in 2017, the Board has already committed \$2.8 million of any such premium.

Substantial risks still exist in the program so we remain very concerned about this shrunken level of contingency/reserves.

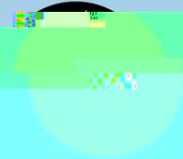
*Project Budgets and Schedules.* For the fourth time in this bond program, all schools involved in the IP work opened on time. Once again, no recordable accidents occurred. The unforeseen conditions on the Cleveland HS roofing work caused some delays and significant added expense, but all major work was complete by the end of October. As planned, elevator work at Chavez and Scott will be completed next summer.

The Physical Education building at Franklin will be complete by the end of January, and the main campus remains on track for a May 2017 building completion (the site opening remains at July 2017). The plan is to be

As you know, Phase 1A at Roosevelt (new gym building and media center) opened for school in August and work continues on getting Phase 1B (Performing Arts and Commons) ready for winter term. Work on Phase 2 (the historic building) has also continued with much of the demolition and abatement work complete. We will ask for an update on project contingency, given our concerns over the significant amount of

However, the system has not merged the early contract performance (which fell well short) into the reported figures. Furthermore, we are only getting reports on a program basis instead of a contract basis. We believe that this makes it very difficult to affirmatively manage performance and additional efforts should be made to provide additional data.

*Safety.* As noted above, there have been zero



PORTLAND PUBLIC SCHOOLS

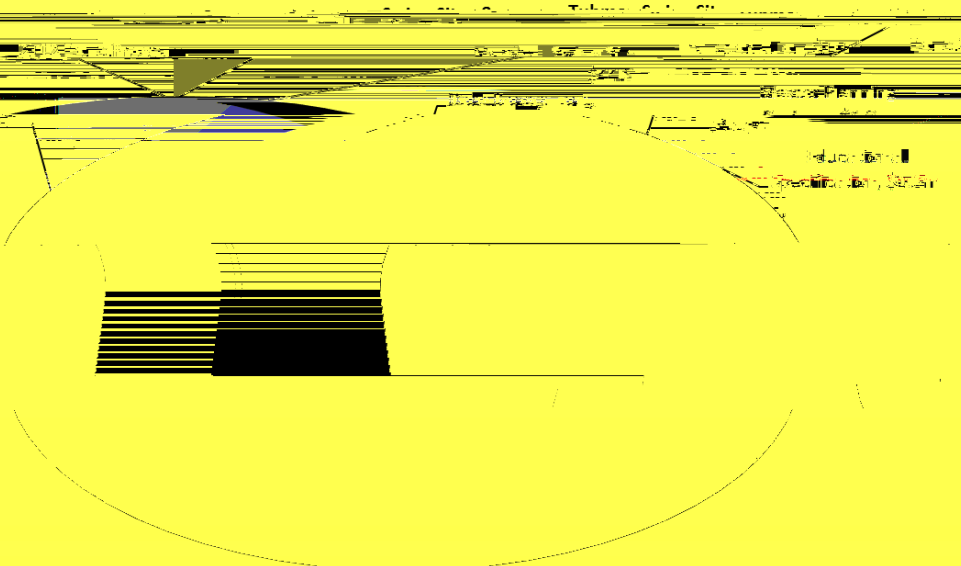
# Office of School Modernization Quarterly Update to School Board

November 29, 2016



# Program Update

## Program Projected Budget Break -Down



## Schedule

## Balanced Scorecard Program Status

Perspective	Last Meeting	Current
Overall	Green	Green
Budget	Yellow	Yellow
Schedule	Green	Green
Stakeholder	Green	Green
Equity	Green	Green

## Comments

1. Franklin HS is in the Construction Phase
2. Roosevelt HS in the Construction Phases 1B & 2
3. Faubion PK-8 is in the Construction Phase
4. Grant HS is in the Design Development Phase
5. IP15 is in the Close -Out Phase
6. IP16 is in Close-Out and Construction Phases
7. IP17 is in the Design Development Phase

## Anticipated Progress Next Period

1. Franklin HS will continue in the Construction Phase
2. Roosevelt HS will continue in Construction Phase 2
3. Faubion PK-8 will continue in the Construction Phase
4. Grant will be in the Construction Document Phase
5. IP15 will be Closed -Out
6. IP16 will be in Close -Out except elevators at Chavez and Scott
7. IP17 will be in the Construction Document Phase



Project Description





# Franklin HS Modernization



Auditorium Work t Inside and Outside



Historic Classrooms Taking Shape



Old Auditorium / Modernized Media Center





September 3, 2016





# PORTLAND PUBLIC SCHOOLS



Commons Area in Progress



Journalism West Classroom in Progress



Permanent Drying in of Commons

Shoring in Historic Building



## Project Description

Brief Project Description Full campus modernization to accommodate a student capacity of 1,700 and a core capacity of 1,700 students based on a master planning process that includes stakeholder input. All campus functions are to be relocated to the Marshall Campus during construction.

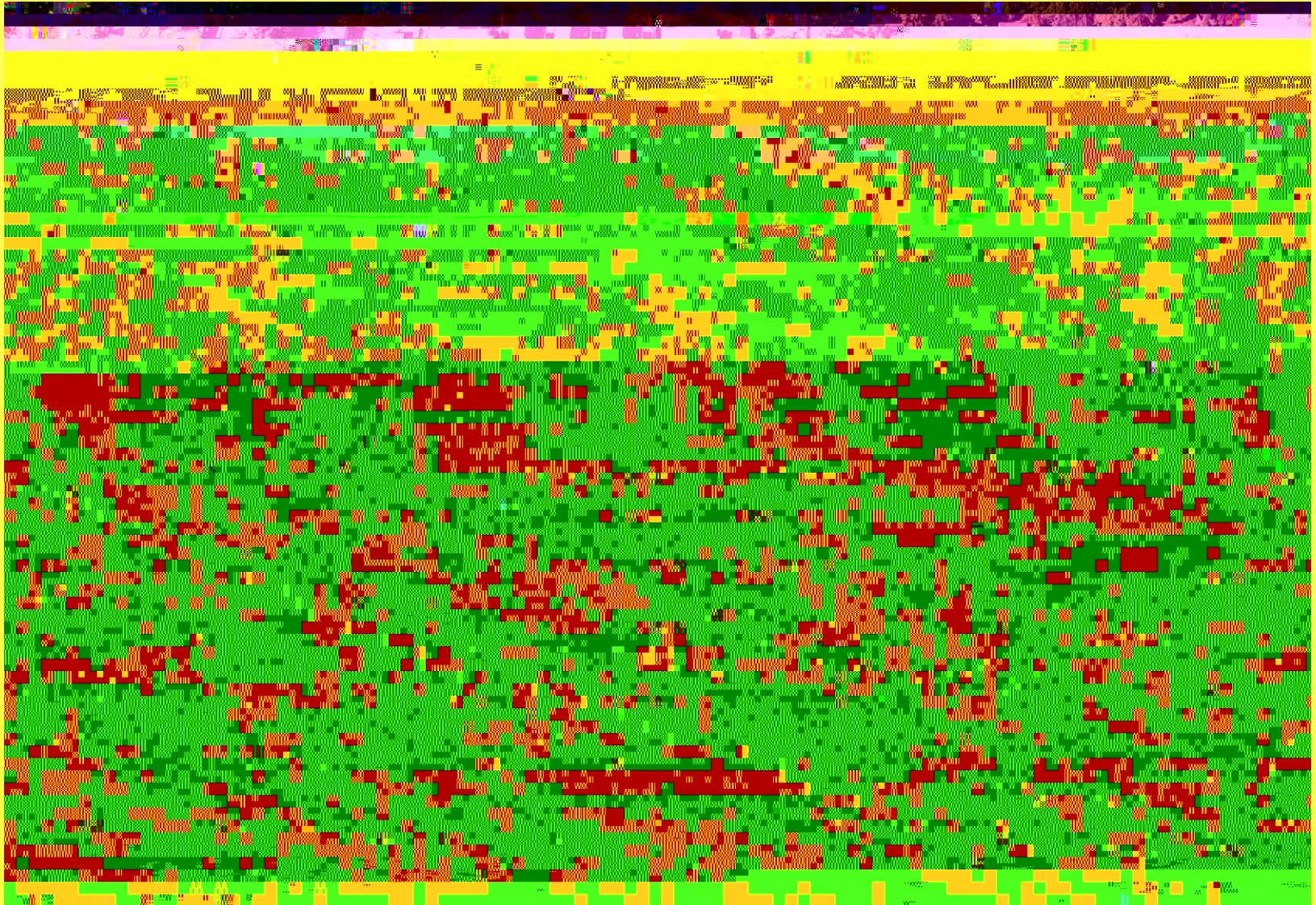
## Projected Budget Breakout

## Comments

## Photos



September 28, 2016

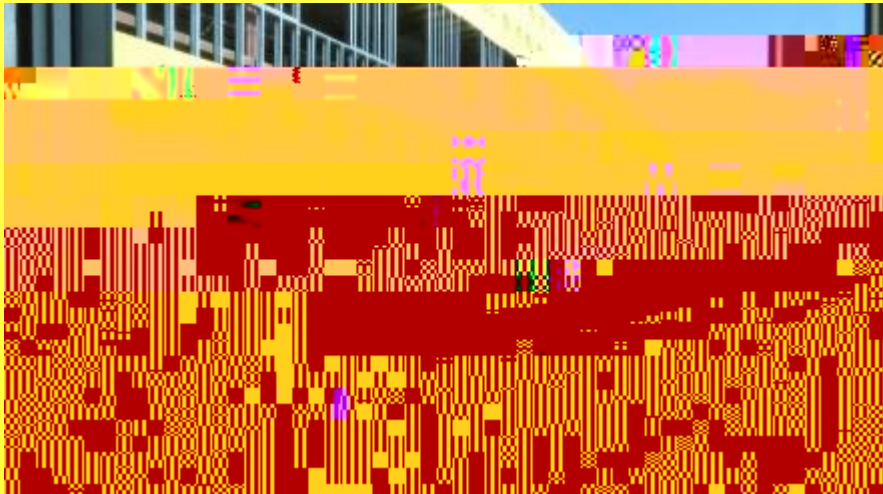




# Faubion PK-8 School Replacement



New Bus Drop Off and Parking Area



Exterior Walls Ongoing



Interior Wall Framing Prep



# Insert the Time Lapse Faubion Video



# Improvement Project 2016



Abernethy 29,000 SF of New Roofing

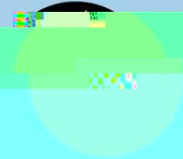


MLC 2 New Science Classroom Upgrades



Chavezt During and After Framing Around New Elevator Shaft





# Office of School Modernization Quarterly Update to School Board

November 29, 2016



# Board of Education

## Staff Report to the Board

Board Meeting Date: November 29, 2016

Executive Committee Lead: Yousef Awwad  
Deputy Chief Executive Officer and Chief Financial Officer

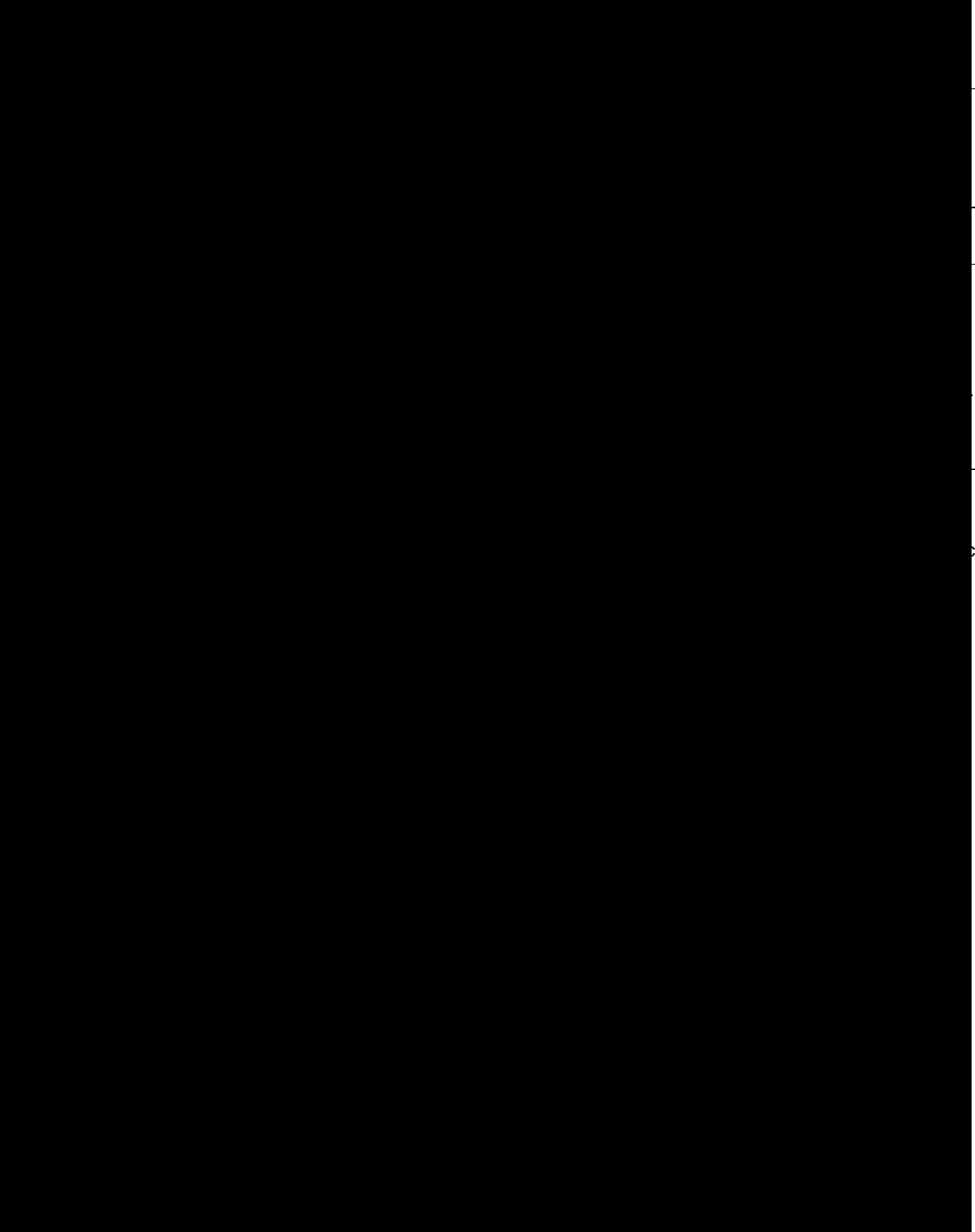
Department: Financial Services

Presenter/Staff Lead: Barb Gibbs  
Senior Manager, Treasury and Account Receivable

### BACKGROUND

State statutes restrict the maturities of investments by municipalities to 18 months unless a policy has been reviewed and commented upon by the Oregon Short Term Fund Board, and this policy has been

In May 2013 the District issued \$144.8 million in General Obligation Bonds as the first in a series of planned debt issuances to finance capital improvements. At that time the District anticipated that the construction timeline would exceed 18 months, and therefore created t



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	<p style="text-align: center;"><b>BOARD POLICY CASH MANAGEMENT</b></p>	<p style="text-align: center;">8.20.010 -P</p>
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2. Liquidity

The investment portfolio shall be kept sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Since all possible cash demands cannot be anticipated, the portfolio shall consist of securities with active secondary or resale markets (dynamic liquidity). A portion of the portfolio may be placed in the Oregon Short-Term Fund, or similar investment offering next-day liquidity.

3. Yield

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. High returns on investments are of secondary importance compared to the safety and liquidity objectives described above. The majority of the portfolio is limited to highly-rated / low-risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity, unless:

- x A security with a declining credit rating may be sold early to prevent or minimize loss of principal.
- x An unanticipated cash demand requires that the security be sold.
- x A security swap would improve the quality, yield, or target duration of the portfolio.
  - f Security swaps will be made only with specific approval of the CFO or, if

III. Standards of Care

1. Prudence

The standard of prudence to be used by investment officials shall be the prudent person standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy, and exercising due diligence, shall be relieved of personal responsibility.

	<p style="text-align: center;"><b>BOARD POLICY CASH MANAGEMENT</b></p>	<p style="text-align: center;"><b>8.20.010 -P</b></p>
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Employees, officers and their families shall refrain from undertaking personal business transactions with the same individual with whom business is conducted on behalf of the District. Officers and employees shall, at all times, comply with the State of Oregon Government Standards and Practices code of ethics set forth in ORS Chapter 244.

3. Responsibility

The CFO (CFO), the responsibility for implementing this policy.

Day-to-day administration of this investment policy shall be managed by the CFO and delegated to his / her designee. The CFO or designee, hereinafter referred to as Investment Officer, shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements and collateral/depository agreements. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Investment Officer. The Investment Officer by est

	<b>BOARD POLICY CASH MANAGEMENT</b>	<b>8.20.010 -P</b>
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The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, the Investment Off



	BOARD POLICY CASH MANAGEMENT	8.20.010 -P
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	<b>BOARD POLICY CASH MANAGEMENT</b>	<b>8.20.010 - P</b>
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In addition to this policy, ORS 294.035 limits investments in corporate indebtedness to 35% of the total investment portfolio, with no more than 5% of total funds invested in a single corporate entity and its affiliates or subsidiaries.

Due to fluctuations in the aggregate surplus funds balance, maximum percentages for a particular









	BOARD POLICY CASH MANAGEMENT	8.20.010 -P
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RESOLUTION No.

Resolution to Adopt Cash Management Policy 8.20.010-P

RECITALS

Pursuant to O.R.S. 294.135 (1) (a), the Board of Education is required to annually adopt policies for Cash (Investment) management whether or not there are any changes to the Policy. On November 7, 2016, staff presented the existing policy to the Business and Operations Committee of the Board of Education with no changes recommended.

RESOLUTION

The Board of Education hereby adopts the Cash Management Policy, Policy 8-20-010-P.

Y. Awwad

BOARD OF EDUCATION  
SCHOOL DISTRICT NO. 1J, MULTNOMAH COUNTY, OREGON

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November 9, 2016

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Purchases, Bids, Contracts

The Interim Superintendent RECOMMENDS adoption of the following item:

Resolutions 5365



Other Matters Requiring Board Approval

The Interim Superintendent RECOMMENDS adoption of the following items:

Resolutions 5366 through 5369

RESOLUTION No. 5366

Step 3 Complaint Consideration

RESOLUTION

The Portland Public Schools Board of Education votes to consider the Step 3 complaint appeal on



