

Horace Mann Construction Underway



Horace Mann Principal Steve Kessler and AP Jill Bakhsh join together with the Beverly Hills Board of Education, Superintendent Gary Woods, Councilman John Mirisch and students from Horace Mann for the official groundbreaking ceremony of the new classroom building.



Horace Mann - Architectural Rendering

ANNUAL REPORT OF THE CITIZENS’ OVERSIGHT COMMITTEE
BEVERLY HILLS UNIFIED SCHOOL DISTRICT – MEASURE E
January 1, 2014 through December 31, 2014

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Executive Summary

This Annual Report of the Citizens' Oversight Committee ("COC" or "Committee") covers the calendar year 2014. The audit reports referenced in this report cover the fiscal year from July 1, 2013 to June 30, 2014 ("FY 2013-14"). Amounts related to any period after June 30, 2014 are unaudited.

The primary responsibility of the COC is to monitor the expenditure of Measure E funds by the Beverly Hills Unified School District ("BHUSD" or "District") to ensure that they are utilized in the manner prescribed by Measure E. In exercising this duty, the COC has created several sub-committees that have engaged in conferences with a variety of decision-makers, reviewed information from numerous sources, attended meetings, conducted independent research, made recommendations and shared their findings with the full Committee, which then submitted its recommendations to the Beverly Hills Board of Education ("BOE").

Some important 2014 accomplishments of the Measure E program included the groundbreaking of a major construction project at Horace Mann. In addition, several campuses received significant infrastructure upgrades. The District continues to face the critical need for a well-qualified Chief Facilities Officer. Since inception of Measure E, the District has suffered through substantial personnel turnover which has negatively impacted the efficient execution of Measure E's goals. As noted in our prior year reports, the District has no current Chief Facilities Officer and has been utilizing consulting resources to overcome this shortcoming. We strongly urge the District and BOE to make staffing key positions with full-time in-house resources a top priority.

The COC believes that there is a critical need for funding school facility construction and renovation. The District's own estimated costs of fully implementing the 2012 Facilities Master Plan ranged from \$494 million to approximately \$581 million, which is \$160 million to \$248 million in excess of the \$334 million approved by voters under Measure E. The BOE has not communicated a plan for fully funding the 2012 Facilities Master Plan and has yet to seek the issuance of bonds to fully utilize the funding approved under Measure E. The lack of commitment from the BOE to contain spending to the approved Measure E total of \$334 million could put current in-process construction projects in jeopardy of not receiving sufficient funding to reach completion since the District's 2012 Facilities Master Plan requires financial resources far beyond what has been approved by Measure E.

The COC recommends that the BOE direct District Staff to comply with the laws of the State of California and fully address the findings of the current year and prior year Performance Audits. The BOE failed to provide a written response to the prior year Performance Audit as required by State law. Under SB 581, starting with the FY 2012-13 audit, the BOE is required to "provide the citizens' oversight committee with responses to any and all findings, recommendations, and concerns addressed in the annual, independent financial and performance audits within three months of receiving the audits."

I. Audits

A. Performance Audit:

On March 20, 2015, Harvey M. Rose Associates, LLC (“HRA”) submitted the annually required Performance Audit of the Beverly Hills Unified School District Measure E Program for the fiscal year ended June 30, 2014 (“Performance Audit”).

The Performance Audit covers compliance with Measure E as well as evaluations of master planning and facilities programming, expenditure controls, and contract solicitation and award processes. HRA’s report includes a broad series of recommendations. A majority of the recommendations in this report were duplicative of those identified in the 2011-2012 and 2012-2013 HRA reports. The HRA report states that “while the District has taken some steps to address the findings and recommendations made in the FY 2011-2012 and FY 2012-2013 performance audits, most of those recommendations have not been implemented. Although BOE members were receptive to the findings and recommendations of the FY 2012-2013 report when it was presented in April 2014, there is no apparent District staff member who has been assigned primary responsibility for implementation of the recommendations.” Furthermore, HRA found that the BOE “did not provide responses to previous performance audit findings to COC as required by State Law under SB 581” and that “only six of the recommendations from the previous performance 2012-2013 audit have been at least partially implemented.” The BOE is required by law to provide a written response to the COC within three months of receiving the Performance Audit.

The COC recommends that the BOE take immediate action to address all the findings noted in the HRA Performance Audit recommendations as listed below:

Table of Findings	Repeat Finding?
1.1 Direct the Chief Administrative Officer to initiate efforts to recruit and hire a Chief Facilities Official and, if necessary, a Director of Facilities and Planning so that the District has in-house staff that are able to focus on the day-to-day management of the Measure E program.	Repeat Finding from FY 2012-2013
1.2 Instruct the Interim Director of Facilities, under the direction of the Chief Administrative Officer, to either: a. Amend the Board certified list of projects to be funded by Measure E to include costs incurred by the District to apply for Seismic Mitigation Program funding (including application fees, additional engineering work, and other professional service fees) as a separate project; or b. Separately track and report such costs on at least a quarterly basis to the Board and Citizens’ Oversight Committee to ensure that bond funds are spent efficiently, effectively, and transparently.	New Finding
1.3 Strongly consider all legal policy options for maximizing the District’s bond authority to best meet the critical infrastructure needs of the District, including allowing the District’s tax rate to rise above a self-imposed cap of \$49.71 per \$100,000 of assessed value.	New Finding

Table of Findings	Repeat Finding?
<p>1.4 Instruct Facilities staff, under the direction of the Chief Administrative Officer, to lead the effort to respond to all findings, recommendations, and concerns of this audit report to the Citizens' Oversight Committee within three months of receiving the report as required by State law. This response should also ensure that all recommendations from the FY 2012-13 performance audit are either fully implemented or, if not fully implemented, a response is provided to the Citizens' Oversight Committee as to why the District does not feel it is appropriate.</p>	New Finding
<p>1.5 Instruct Facilities staff, under the Direction of the Chief Administrative Officer, to address the master planning recommendations from the FY 2011-12 and FY 2012-13 performance audits including:</p> <ul style="list-style-type: none"> a. Draft an amendment to the Facilities Master Plan to include best practice elements as outlined by the State Allocation Board including District priorities, educational goals, and others as appropriate; and b. Initiate a revision of the proposed educational specifications considering feedback from the Board of Education and to present the revised educational specifications to the Board of Education within three months for approval. 	Repeat Finding from FY 2011-2012 and FY 2012-2013
<p>2.1 Direct the Facilities Fiscal Director, under the direction of the Interim Facilities Director and Chief Administrative Officer, with the involvement of District stakeholders as appropriate, to revise and expand the budgeting procedures in the Facilities and Planning Procedures Manual to include requirements to continue providing more detailed Measure E budget information at least as often as it would officially report the District's financial position (at least three times per year) to better inform the Board, the Citizens' Oversight Committee, and the public. These revisions should include disclosing the project or site level budgets and quarterly evaluations of adopted vs. actual budgetary information (for the current fiscal year as well as for the life of the project) with explanations for deviations.</p>	Repeat Finding from FY 2011-2012 and FY 2012-2013
<p>2.2 Direct the Facilities Fiscal Director, under the direction of the Interim Facilities Director and Chief Administrative Officer, to provide more detailed information and improve the quality of Measure E district wide and site-specific updates by including current year adopted vs. actual budgetary information, current amount expended vs. total project budget, project milestones met, and the use of accompanying narratives, charts, and graphics to clearly illustrate progress to the general public.</p>	Repeat Finding from FY 2011-2012 and FY 2012-2013
<p>3.1 Review and adopt the draft Measure E Program procedures prepared by the construction management firm, Totum, in November 2014.</p>	New Finding

Table of Findings	Repeat Finding?
<p>3.2 Instruct the Facilities Fiscal Director, under the direction of the Chief Administrative Officer, to revise the Measure E Program procedures within six months of acceptance of the FY 2013-14 performance audit to specify:</p> <ul style="list-style-type: none"> a. Criteria for awarding sole source contracts due to emergency or other exceptional circumstances; b. Required signatures for construction contracts; and c. Standard requirements for insurance, liquidated damages, and payment by the contractor to the District for increased costs caused by project delays not initiated by the District; changes in project scope not initiated by the District; violations of laws and regulations; future claims, disputes or stop notices; and any other costs related to negligence, recklessness, or willful misconduct of the contractor. 	New Finding
<p>4.1 Instruct the Facilities Fiscal Director, under the direction of the Chief Administrative Officer, within six months of the acceptance of the performance audit to develop a written policy for the Measure E Program and to amend existing construction and professional services contracts as necessary to require:</p> <ul style="list-style-type: none"> a. Not-to-exceed amounts, b. Limits on reimbursable expenses; and c. All authorized subcontractor services, hourly rates and total fees. 	Repeat Finding from FY 2012-2013
<p>4.2 Instruct the Facilities Fiscal Director, under the direction of the Chief Administrative Officer, to develop a written policy, within six months of the acceptance of the FY 2013-14 performance audit, that requires the appropriate District staff (in-house Chief Facilities Official, General Counsel, Assistant Superintendent for Business Services) to review and compare all invoices from contractors operating under multiple contracts for the District to ensure that services provided are:</p> <ul style="list-style-type: none"> a. Within the contract amount and term, b. Within the contract scope of services; and c. Without duplication of services being provided through other contracts. 	Repeat Finding from FY 2011-2012 and FY 2012-2013
<p>4.3 Instruct the Facilities Fiscal Director, under the direction of the Chief Administrative Officer, to revise the Measure E Procedures Manual, within six months of the acceptance of the FY 2013-14 performance audit, to include procedures that are considered best practices for change orders to the scope of services, project amounts, and fees, for construction and professional services contracts paid for with Measure E bond funds, including:</p> <ul style="list-style-type: none"> a. A structured approval process for changes beyond the agreed terms of a contract, with varying levels of approval authority depending on the magnitude of the change; and b. Written approval prior to original or additional services being provided. 	Repeat Finding from FY 2011-2012 and FY 2012-2013

Table of Findings	Repeat Finding?
4.4 Instruct the Facilities Fiscal Director, under the direction of the Chief Administrative Officer, to develop procedures within six months of the acceptance of the FY 2013-14 performance audit requiring purchase requisitions to be submitted and purchase orders approved within certain deadlines, such as within a week of a contract being signed.	New Finding

One area of concern in the HRA report which the COC would like to highlight is as follows: “The Measure E Bond Fund, as currently structured, is unlikely to meet all of the District’s critical capital needs. As noted in the previous two performance audit reports, the costs of the projects identified in the 2012 Facilities Master Plan ranged from approximately \$494 million to approximately \$581 million, which is about \$160 to \$248 million more than the \$334 million that the District has assumed would be available from all Measure E bond issuances. The Board should strongly consider all legal policy options available, including allowing the combined bond-supporting tax rate to increase beyond \$49.71 per \$100,000 of assessed property value.”

B. Financial Audit:

Christy White Accountancy (“CWA”) performed the annually required financial audit for the fiscal year ending June 30, 2014, and issued their report on February 25, 2014 (the “Financial Audit”). The Financial Audit found that as of June 30, 2014, the District had spent approximately \$39.1 million – or 33% - of the \$117.0 million raised through the 2009 and 2013 Measure E bond issuances, which excludes income from interest and other inter-fund transfers which totaled \$ 6.5 million, and 12% of the \$334 million total amount that has been authorized by Measure E. For FY 2013-2014, CWA issued a “clean” audit opinion and its report contained no findings or recommendations.

C. Supplemental Financial Information (Unaudited):

To provide the citizens of Beverly Hills with an overview of how the Measure E funds have been expended from inception (2009), the following unaudited financial schedules are appended hereto:

- a. A breakdown of the recipients of at least \$100,000 of Measure E funds from the February 2009 inception to December 31, 2014 together with a short explanation identifying the purpose of the expense; and
- b. A cash flow summary roll-forward from Measure E inception to December 31, 2014.

Subject to the qualification in Section IV “Legal and Ethics” below, the COC believes all expenses are in compliance with Measure E, but spending under Measure E could be more effective if the BOE would take corrective action to address the findings noted in HRA’s Performance Audit.

II. Measure E Bond Financing

The goals of Measure E are stated as follows:

“To provide safe and modernized school facilities, make necessary structural seismic safety repairs, upgrade, repair, and reconstruct aging classrooms, infrastructure, multiuse, gyms, libraries, science, technology and labs; roofing, plumbing, heating, ventilation and electrical systems; renovate Beverly Hills Unified School District schools to better protect student/staff from unauthorized entry, security risks and natural disasters.” (Measure E ballot language 2008)

The Beverly Hills Unified School District’s ability to issue additional bonds to finance its future plans for Measure E is impacted and constrained by a number of factors including:

- a. The incremental property tax increase necessary to support a bond measure is limited by Proposition 39 which places a ceiling of an incremental \$60 for each \$100,000 of assessed valuation in any particular year;
- b. Key variables in determining the amount and timing of future bond issuance are premised upon future property assessed value growth, and interest rate assumptions;
- c. The current and future structure of the bond financing which, among other variables, includes the length of time it will take to repay bond holders, and the mix of current interest to be paid periodically (Current Interest Bonds – “CIBs”) and all interest paid upon maturity (Capital Appreciation Bonds – “CABs”); and
- d. Project cash flow needs based on a BOE-approved plan respecting the utilization of remaining Measure E funds.

Based on the current available information, the COC notes the following issues:

- a. Unless additional financing is secured there will be insufficient funds to timely complete the anticipated construction and refurbishment work authorized by Measure E, and; by reason thereof, the number of projects may have to be reduced, or work may have to be placed on an indefinite hiatus;
- b. The District’s ability to devise a new bond issuance program is constrained by Proposition 39; and
- c. A detailed action plan for managing incremental bond issuance and spending must be developed to ensure that the District does not run out of construction funds at any project site prior to completion.

The District should continue to work with their financial advisors to address these issues.

III. School Site Descriptions

The Beverly Hills Unified School District consists of four K-8 elementary schools and one 9-12 high school. The K-12 enrollment is approximately 4,200. The District's school sites and Measure E projects to date include:

School Site	Description	Measure E Projects
Beverly Hills High School	Originally built in 1927 and partially rebuilt in 1936. The campus Swim Gym was constructed in 1940 followed by several more moderate to large scale renovations and addition projects in the 1950s, 1960s, and 1970s, including extensive additional alterations completed in early 1970s. The last major change to the High School campus was the 2007 completion of the Science and Technology Center, a four story building housing 18 math classrooms, 12 science labs, a lecture hall, faculty work areas, and a multi-purpose center.	<ul style="list-style-type: none"> - MEPC evaluation* - Modernization/seismic planning - Kitchen classroom hood - Scoreboard installation - Security fencing
Beverly Vista Elementary School	Originally built in the 1920s, renovated and partially rebuilt in 1933, and rebuilt again from 1994 to 2006 following damage due to the 1994 Northridge earthquake.	<ul style="list-style-type: none"> - MEPC evaluation* - Modernization/seismic planning - Boiler and chiller replacement - Handrails - Sound system - Shade structure
El Rodeo Elementary School	Originally built in 1927 and renovated for earthquake safety in 1934. A two story addition was completed in 1963, which included a gymnasium, a new shop, and music rooms. There were a series of additions in the late 1960s, which included a three story structure and additional classrooms.	<ul style="list-style-type: none"> - MEPC evaluation* - Modernization/seismic planning - Auditorium ceiling upgrade - Emergency lighting system - Sewer replacement - Chiller and cooling tower replacement
Hawthorne School	Originally built around 1913. An auditorium was added in 1921 followed by the addition of several structures between 1922 and 1929, and again after the 1933 earthquake. Further renovations and additions were completed in 1953, 1961, and undertaken again in the late 1960s and early 1970s.	<ul style="list-style-type: none"> - MEPC evaluation* - Modernization/seismic planning - Auditorium ceiling upgrade - Chiller and cooling tower replacement - Electrical distribution replacement - Sewer replacement

School Site	Description	Measure E Projects
Horace Mann Elementary School	Originally built in 1929 and renovated and expanded several times in the 1930s. Later, extensive expansions were undertaken, including a three story tower that was completed in 1968 and a new garage and classroom facility, which were completed in 1976. Smaller scale modernization and renovation projects occurred from 2001 through 2008. A renovation of the auditorium was completed in 2013 and the construction of a new classroom building commenced in 2014.	<ul style="list-style-type: none"> - MEPC evaluation* - Modernization/seismic planning - Auditorium ceiling upgrade - MPR Building - Lunch shelter, courtyard and central area upgrades - New building construction (underway)

* MEPC was a District-wide Mechanical, Electrical, Plumbing and Civil Engineering evaluation of all schools.

IV. Legal and Ethics

Legal Expenditures incurred under Measure E, as detailed in the Appendices, from inception (2009) through December 31, 2014, have approximated \$10.6 million (which in some cases, may include contractors hired by law firms). This amount represented 21% of gross Measure E spending through that date. However, through December 31, 2014, the District had reimbursed Measure E for \$2.9 million for legal fees relating to the Karen Christiansen/Strategic Concepts litigation. Net legal expenditures of \$7.8 million, therefore, represented 15% of gross Measure E spending through that date.

Due to BOE attorney-client privilege issues and information not available to the COC, the COC is unable to determine or express an opinion as to if the money has been appropriately expended and if appropriate safeguards are in place to avoid waste.

The approximate break down of these legal costs are as follows:

Strategic Concepts matter.....	\$2.9 million
MTA, Seismic and related matters	\$7.5 million
Other	<u>\$0.2 million</u>
Total	Gross Legal Spending through 12/31/14 \$10.6 million
Less:	Reimbursements* from the District (<u>\$2.9 million</u>)
Net	Legal Spending through 12/31/14 <u>\$7.7 million</u>

* The District used a portion of a vendor settlement to reimburse Measure E for all legal expenditures related to the Strategic Concepts matter.

V. Communications

A major COC goal is to enhance public awareness of the issues relating to Measure E and its implementation as well as to maximize the transparency of the process. In furtherance of that goal, the COC website, located at www.bhusd.org, has been redesigned with a new graphical and textual interface. The COC will continue and expand periodic outreach to the District's PTAs, issue periodic reports and meet with interested community groups. In accordance with the Brown Act, COC meetings are open to the public with a comment period at each meeting to allow interested individuals to address the COC and others present.

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Beverly Hills Unified School District

Measure E Expenditures - Vendors paid over \$100,000

Inception to December 31, 2014

(Unaudited)

Amount	Vendor Name	Purpose/Explanation	Admin. / Planning	Architect	Attorneys	Construction	Geotechnical	MEPC/Misc.
\$ 5,254,705	PROWEST CONSTRUCTORS	Contractor - Horace Mann				\$5,254,705		
\$ 5,217,836	DLR GROUP	Architect - Hawthorne & BHHS		\$5,217,836				
\$ 3,535,077	MINAKO AMERICA CORPORATION	Contractor - Horace Mann				\$3,535,077		
\$ 3,379,922	HILL, FARRER & BURRILL LLP **	Attorney - MTA matter			\$3,379,922			
\$ 3,044,573	WLC ARCHITECTS	Architect - Horace Mann		\$3,044,573				
\$ 3,008,624	BERNARDS ***	former Program/ Project manager	\$1,444,664			\$1,563,960		
\$ 2,419,890	DOUGHERTY & DOUGHERTY ARCHITECTS	Architect - K-8 schools		\$2,419,890				
\$ 2,149,843	QUINN EMANUEL *	Attorney - Strategic concepts litigation			\$2,149,843			
\$ 2,058,696	STRATEGIC CONCEPTS	former Program/ Project Manager	\$2,058,696					
\$ 1,702,403	KASOWITZ, BENSON, TORRES & FRIEDMAN	Attorney - MTA matter			\$1,702,403			
\$ 1,505,094	PAYROLL	Staff Payroll	\$1,505,094					
\$ 1,445,441	LPA ARCHITECTURE	Architect - Hawthorne and BHHS		\$1,445,441				
\$ 1,362,962	MURPHY & EVERTZ, LLP	Attorney - MTA matter			\$1,362,962			
\$ 1,286,505	LEIGHTON CONSULTING, INC.	Geotechnical consultant					\$1,286,505	
\$ 1,131,898	BANERJEE POCOCK & ASSOCIATES	MEPC consultant (see below)						\$1,131,898
\$ 1,083,093	SEWUP JPA C/O KEENAN & ASSOCIATES	Insurance	\$1,083,093					
\$ 999,135	HMC ARCHITECTS	Architect - El Rodeo		\$999,135				
\$ 892,576	TOTUM CORP. ***	Program/Project manager	\$440,474			\$452,102		
\$ 764,568	HENRIKSON OWEN & ASSOCIATES, INC.	MEPC consultant (see below)						\$764,568
\$ 748,235	DANNIS WOLIVER KELLEY (DWK)	Attorney - Strategic concepts litigation			\$748,235			
\$ 659,042	VENABLE LLP	Attorney - Horace Mann & MTA matter			\$659,042			
\$ 502,303	PRIMESOURCE CONSULTING ****	manager	\$502,303					
\$ 487,477	ENVIRONMENTAL AUDIT INC.	Hazardous materials analysis consultant						\$487,477
\$ 472,049	ENERGY OPTIONS, INC.	El Rodeo Chiller Replacement Project				\$472,049		
\$ 418,397	PLUMBING PIPING & CONSTRUCTION INC.	Hawthorne cooling tower/chiller contractor				\$418,397		
\$ 389,203	JR UNIVERSAL CONSTRUCTION INC.	Hawthorne Electrical Dist. Project				\$389,203		
\$ 385,956	GENSLER	Architect - BHHS & Hawthorne		\$385,956				
\$ 358,978	CST ENVIRONMENTAL ACQUISITION LP	Horace Mann Bldg. E annex demolition				\$358,978		
\$ 322,259	De JONG RICHTER	Master Plan consultant	\$322,259					
\$ 308,847	LA TANYA KIRK-CARTER	Forensic consultant						\$308,847
\$ 262,535	DIGITAL TELECOMMUNICATIONS CORP	Telecommunications contractor				\$262,535		
\$ 248,488	DIVISION OF STATE ARCHITECT	California State oversight	\$248,488					
\$ 222,313	HORVITZ & LEVY LLP	Attorney - MTA matter			\$222,313			
\$ 215,269	WILLIAMS SCOTSMAN INC.	Temporary housing rentals				\$215,269		
\$ 213,857	BEST, BEST & KRIEGER	Attorney - Contract Review counsel			\$213,857			
\$ 189,579	ALSTON & BIRD LLP	Attorney - MTA matter			\$189,579			
\$ 186,923	NAZARIAN GROUP	El Rodeo Sanitary Sewer Replace Proj				\$186,923		
\$ 164,140	AT&T DATACOM	Telecommunications contractor				\$164,140		
\$ 149,560	AUTOMATIC BOILER COMPANY	Construction contractor				\$149,560		
\$ 148,801	ARCHITECT FEES	Architectural consultants		\$148,801				
\$ 144,812	HARVEY M. ROSE ASSOCIATES, LLC	Performance Auditor						\$144,812
\$ 127,042	BON AIR INC.	BHHS Kitchen Classroom Hood Proj				\$127,042		
\$ 118,164	LVH ENTERTAINMENT SYSTEMS	Auditorium sound contractor - Measure K				\$118,164		
\$ 104,273	WAISMAN CONSTRUCTION	El Rodeo Emergency Lighting Repl Proj				\$104,273		
\$ 1,392,038	149 vendors each paid less than \$100,000		\$7,605,071	\$13,661,631	\$10,628,156	\$13,772,377	\$1,286,505	\$2,837,602
		Pct of total expenditures - by category ====>	15.3%	27.4%	21.3%	27.7%	2.6%	5.7%
\$ 51,183,380	==== Total expenditures	Pct of total expenditures - all vendors ====>	97.3%					

* To date, these attorneys worked solely on the Strategic Concepts litigation. To date the Board has reimbursed the Measure E fund \$2.8 million for legal and other expenses related to this matter. The reimbursement was part of a financial settlement with a former vendor.

** payments to Hill, Farrer & Burrill included payments to other professionals

*** Bernards and Totum totals split between Administration/Planning and Construction

**** includes payments to PrimeSource Consulting and Tim Buresh

MEPC= Mechanical, Electrical, Plumbing and Civil Engineering

Source - BHUSD Business Office

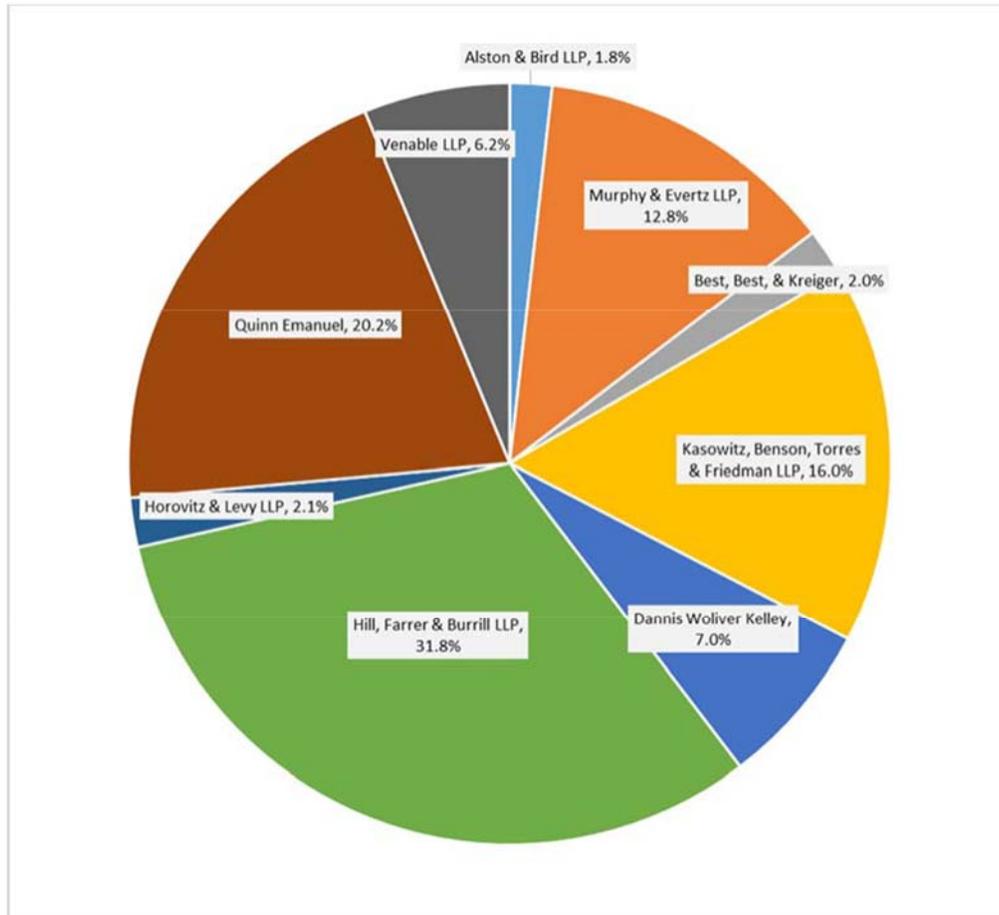
Beverly Hills Unified School District
Measure E Cash Balance Summary Roll-forward – Cash Basis
From Inception to December 31, 2014
(Unaudited)

2009 Bond Proceeds		\$72,044,664
Plus - Revenues		
2008-09 interest income	\$479,138	
2009-10 interest income	\$934,446	
2009-10 other local revenue	\$65,878	
2010-11 interest income	\$842,576	
2011-12 interest income	\$554,091	
2011-12 vendor settlement (partial)	\$2,500,000	
2012-13 interest income	\$339,574	
2013-14 interest income	\$454,589	
2013-14 vendor settlement (partial)	\$331,029	
2014-15 interest income (6mo)	\$156,237	
Total interest and other income		\$6,657,558
2013 Bond Proceeds		\$45,000,000
Less - Expenditures		
2008-09 expenditures	\$4,176,409	
2009-10 expenditures	\$3,828,334	
2010-11 expenditures	\$5,701,440	
2011-12 expenditures	\$7,821,742	
2012-13 expenditures	\$9,642,967	
2013-14 expenditures	\$7,941,170	
2014-15 expenditures (6mo)	\$12,071,318	
Total expenditures		\$51,183,380
Fund balance as of December 31, 2014 (UNAUDITED)		\$72,518,948

NOTE ---- All amounts prior to June 30, 2014 are from audited financial statements,
FY 2014-2015 amounts (through December 31, 2014) are unaudited
Source - BHUSD Business Office

**Beverly Hills Unified School District
Gross Measure E Legal Expenditures by Firm
From Inception to December 31, 2014
(Unaudited)**

Firm	Purpose/Explanation	Attorneys	% of Total
Hill, Farrer & Burrill LLP	MTA matter	\$ 3,379,922	31.8%
Quinn Emanuel	Strategic concepts litigation	2,149,843	20.2%
Kasowitz, Benson, Torres & Friedman LLP	MTA matter	1,702,403	16.0%
Murphy & Evertz LLP	MTA matter	1,362,962	12.8%
Dannis Woliver Kelley	Strategic concepts litigation	748,235	7.0%
Venable LLP	Horace Mann & MTA matter	659,042	6.2%
Horovitz & Levy LLP	MTA matter	222,313	2.1%
Best, Best, & Kreiger	Contract review counsel	213,857	2.0%
Alston & Bird LLP	MTA matter	189,579	1.8%
Total		\$ 10,628,156	100.0%



**Members of the Citizen's Oversight Committee
(as of December 31, 2014)**

Name	Role	Yr. joined	Audit Committee	Legal/Ethics Committee	Communications Committee	Construction Committee
Woodrow Clark II, Ph.D.	Chair	2009		Member		
Steve Hendry, CPA, CA, MBA	Vice Chair	2009	Member	Member		
Craig Davis, MS	Member	2011			Co-Chair	Member
John Dohm	Member	2014				Member
Joshua Friedman, Esq.	Member	2014		Member		
Bradley Gibbons	Member	2013				Chair
Isabel Hacker	Member	2014	Member		Member	
Rose Kaiserman	Member	2014			Member	
Chris Kiper, CPA (inactive)	Member	2013	Member			
Stewart Krakover	Member	2014				
Jerid Maybaum, Esq.	Member	2013		Chair		
Matthew Mokhtarzadeh	Member	2013			Member	
Alexandra Polin	Member	2014			Member	
Donald Rosen, Esq.	Member	2014		Member		
Joe Safier, CPA (inactive), MBA	Member	2009	Chair			
Mary Weiss, Esq.	Member	2014				Member
Shirley Zaragoza, MA, CAS	Member	2009			Co-Chair	