

Date: February 22, 2018

For ACTION: _____

For INFORMATION: X

Board Agenda: Yes X
No _____

FROM: Elijah Gross, Director of Planning, Design, and Construction

THROUGH: Dr. Lois Berlin, Ed.D., Interim Superintendent of Schools
Mignon Anthony, Chief Operating Officer
Richard Jackson, Director of Educational Facilities
Michael Herbstman, Chief Financial Officer
Sharon Lewis, Director of Procurement

TO: The Honorable Ramee A. Gentry, Chair, and Members of the Alexandria City School Board

TOPIC: Quarterly Update on CIP Reserve Account

BACKGROUND: On December 7, 2017, the School Board authorized the establishment of a Capital Improvement Program (CIP) reserve account which provides an additional option for CIP Budget Transfers. This reserve account allows the School Board to move budgeted funds between capital accounts through the below two-step process:

1. The School Board approves budget transfers from specific project account lines to the CIP Reserve Account.
2. The School Board later approves budget transfers from the CIP Reserve Account back to other specific project account lines.

This account is intended for circumstances where available funding has been identified but the optimal use of the funding has not yet been determined. In most cases, funding moving to the CIP Reserve Account will become available because a project was completed with a small amount of unencumbered funding remaining. There may also be infrequent instances where funding becomes available because (1) a revised estimate indicates that the project can be completed for substantially less money than currently budgeted, or (2) newly-available information or circumstances render a project unnecessary.

On at least a quarterly basis, ACPS staff reports to the Board on the CIP Reserve Account and provides recommendations, when necessary, to move budgeted funding to specific project account lines.

SUMMARY: Currently, there is a balance of \$257,992 in the CIP Reserve Account. No transfers in or out of the reserve account are recommended at this time.

This month, Educational Facilities staff will present a separate transfer of available funding from closed projects to support work at the Early Childhood Center. This transfer will not go through the CIP Reserve Account because the use of funds has already been determined. Transferring through the CIP Reserve in this case would entail an extraneous administrative step that would unnecessarily delay the transfer.

RECOMMENDATION: The Superintendent recommends that the School Board take no action at this time.

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