

Date: March 8, 2018

For ACTION       X      

For INFORMATION       X      

Board Agenda: Yes       X        
No                   

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

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

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

**TOPIC:** **Budget Transfers from the CIP Reserve Account to Support the Early Childhood Center**

**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.

As necessary, on at least a quarterly basis, ACPS staff provides recommendations to the School Board to move funding in and out of the CIP Reserve Account.

Prior to any transfers recommended on March 8, 2018, the CIP Reserve Account has a balance of \$257,992 from previously-approved transfers to the account. In an earlier item on the March 8, 2018 School Board agenda, transfers to the CIP Reserve Account totaling \$505,277 were recommended to the Board for action. If the School Board approved that transfer, the CIP Reserve Account will have increased to \$763,269.

**SUMMARY:** A transfer is recommended from the CIP Reserve Account totaling \$505,277 to support Phase I of the Early Childhood Center project.

The collocation/expansion of the Early Childhood Center at John Adams Elementary School involves the design and construction of 21 newly renovated classrooms for the Virginia Preschool Initiative Program (VPI), Head Start Program, and Early Childhood Special Education (ECSE). The project will provide separate administrative suites for both John Adams Elementary and the Early Childhood Center and secure entrances for both schools, which are currently lacking.

The project is being completed in 2 phases: Phase I – summer of 2018 includes administrative areas and clinics for both schools, secure entrances, and 5 classrooms with hallway; Phase II - summer of 2019 will include the remaining 16 classrooms with hallways. The funds requested in this transfer support Phase I only. Phase II will be funded by FY 2019 appropriations from the FY 2019 – 2028 CIP. The total estimated construction cost for the Early Childhood Center project is \$3,820,463: Phase I is \$1,719,831 and Phase II is \$2,088,122.

Upon reducing the scope of the ECC project from a stand-alone center to a co-location, an effort was made to ensure that we could meet minimum requirements for pre-k with the addition of toilet rooms into selected classrooms. Since that time we have further developed the project with input from all members

of the project team as well as all identified stakeholders. In order to adequately respond to the issues articulated during our community engagement process and meet all the requirements of our program several improvements were added into the further developed project scope.

Phase I improvements resulting from the community engagement process include:

1. renovated floors and ceilings to five new VPI classrooms, toilets, admin, clinic, lobby, and corridors - estimated value - \$237,190.

Phase I Improvements resulting from further design development include:

1. a new electrical panel and transformer which are required upgrades to the existing building along with electrical upgrades required to support the program needs at an estimated value of \$300,000 to cover both phases
2. reconfiguring of space to provide a secure front entrance for both the ECC and the John Adams Elementary school occupants and reconfiguring of the administrative areas to efficiently accommodate both program's support staff estimated value - \$398,000.

In order to support the improvements outlined for Phase I we are recommending the use of funds from the CIP Reserve.

Though not included in this transfer request, Phase II improvements include:

1. upgrades to all finishes in the Pre-K classrooms to provide equality for all the classrooms in the area;
2. added refrigeration equipment to support Breakfast in the Classroom program, and
3. renovated floors and ceilings that provide equality across all classrooms supporting VPI and Headstart programs in the ECC.

Following this recommended transfer, the CIP Reserve Account balance would decrease to \$257,992

Attachment #1 provides the detailed project account adjustments.

**RECOMMENDATION:** The Superintendent recommends that the School Board approve this budget transfer request totaling \$505,277 from the CIP Reserve Account to the Early Childhood Center project.

**CONTACT PERSON:** Mignon Anthony, Chief Operating Officer, (703) 619-8097

**ATTACHMENTS:** 1. CIP Adjustment Analysis

**Attachment 1: CIP Adjustment Analysis**

<b>Budget Transfer – CIP Reserve Account to Early Childhood Center Project</b>					
<b>From Account</b>					
<b>ORG</b>	<b>OBJECT</b>	<b>PROJECT</b>	<b>TITLE</b>	<b>AMOUNT TRANSFERRING</b>	<b>ACPS Account #</b>
CIP Reserve Account			CIP Reserve Account	\$505,277.05	CIP Reserve Account
<b>To Account</b>					
41862556	52102	20534	CP-Capacity-Retrofitting Leased Space (Later referred to as Early Childhood Center Project)	\$505,277.05	41862556-4-P170114