

# EL CAMINO REAL ALLIANCE

## EXECUTIVE DIRECTOR RECOMMENDATION

**BOARD MEETING DATE:** September 26, 2019

### **AGENDA ITEM:**

Payment of \$250,000 to LAUSD

### **BRIEF SUMMARY OF THE ISSUE:**

ECR contracts many services with LAUSD's Maintenance & Operations ( M & O) Branch. Previously ECR made pre-payments to M & O, but LAUSD and ECR agreed that it would be better to pay as services were rendered. This past summer, M & O notified ECR that it was cutting all services to ECR because ECR had not paid for services rendered to date, including previous year's services. This balance had not been paid because ECR received four years of M & O statements all at once, much of which did not have any backup or description of services rendered. As a result, the Business Office had difficulty reconciling the statements. ECR contacted M & O to see how to continue with the services while trying to pay down the balance.

### **PERSONNEL INVOLVED:**

Facilities, CBO, and Executive Director.

### **FISCAL IMPLICATIONS (IF ANY):**

\$250,000 payment for the maintenance services. This would be a partial payment for services rendered through the past five years, while reconciliation and accounting continue.

### **IMPACT ON SCHOOL MISSION, VISION OR GOALS (IF ANY):**

ECR continues to rely on LAUSD to provide maintenance and support for the LAUSD-owned facilities, and properly maintained facilities are necessary in order for instruction to effectively continue.

### **OPTIONS OR SOLUTIONS:**

Once reconciliation is accomplished, the remaining balance due should be paid off. Currently, LAUSD claims a total due and owing of \$1,287,613.69, but much of that is based on prior years' services for which no backup documentation has been provided. In the meantime, ECR will pay for current services rendered on a quarterly basis.

**EXECUTIVE DIRECTOR'S RECOMMENDATION:**

Approve the motion to pay LAUSD \$250,000 to begin paying down M & O invoices/statements. ECR Facilities will work with the CBO, to ensure that the amount is appropriate according to the services rendered moving forward (beginning in 2019-20, ECR will reconcile statements on a quarterly basis and pay those to LAUSD).

**PROPOSED MOTION:**

Motion to approve a payment of \$250,000 to LAUSD for a partial payment on maintenance services rendered.