



Implementation Committee

Meeting Agenda

July 12, 2012

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STATE ALLOCATION BOARD
IMPLEMENTATION COMMITTEE MEETING
July 12, 2012

MPR/Gymnasium Hybrid Minimum Essential Facilities

PURPOSE OF REPORT

The purpose of this item is to discuss Use of Grants (UOG) requests to fund construction of Multi-Purpose Room (MPR)/Gymnasium Hybrid Minimum Essential Facilities (MEF) pursuant to School Facilities Program (SFP) Regulation Sections 1859.77.3 and 1859.82, and how to define the space for purposes of verifying State funding and processing grants.

DESCRIPTION

Under the SFP, a school district's eligibility for State funding is determined by a formula that projects the number of unhoused pupils and assigns available New Construction pupil grants. These grants, which are paid with State bond funds, are used to construct new classrooms to house projected new students or to relieve classroom overcrowding.

The SFP Regulations permit school districts to use these pupil grants to construct an MEF such as an MPR, gymnasium, or library, instead of using them to fund new classrooms, under certain circumstances. As written, these regulations provide criteria to determine what types of facilities may be funded for schools serving elementary, middle, or high school students, and a formula to determine whether the square footage of an existing MEF exceeds the threshold to qualify for State funding under the UOG option. The formula also identifies the maximum number of new construction grants that may be used to fund construction of MEFs instead of classrooms. However, the regulations did not anticipate hybrid MEF's such as a combined MPR/Gymnasium located within the same structure, and sharing a portion of the square footage.

AUTHORITY

See Attachment A.

BACKGROUND

Pursuant to SFP Regulation Section 1859.77.3, districts meeting specific requirements can request a UOG for new construction grants to construct an MEF, such as an MPR, gym, or library, at an existing site that does not have an existing MEF, or if the existing MEF is determined to be inadequate.

Minimum Essential Facility

The appropriate MEF size is calculated using the chart in SFP Regulation Section 1859.77.3 for Alternative Education projects, and Section 1859.82 for all other projects. MEF categories include:

- MPR
- Gymnasium (for High Schools and Middle Schools only)
- Library/Media Center
- Counseling and/or Conference Rooms (Alternative Education only)

School Board Resolution

Before a school district submits to the OPSC an application containing a UOG request, the district must adopt a school board resolution containing the following:

- An acknowledgement that funds for the purposes of housing the excess pupils are being diverted to another project.
- An acknowledgement that the State has satisfied its obligation to house the pupils receiving grants in the project, pursuant to SFP Regulation 1859.50.
- A plan outlined in the resolution that identifies how the district has housed or will house the pupils receiving grants in the project in school buildings, as defined in EC Section 17368. The plan must certify one of the following methods:
 - The district will construct or acquire facilities for housing the pupils with funding not otherwise available to the SFP as a district match, within five years of project approval by the SAB, and the district must identify the source of the funds; or
 - The district will utilize higher district loading standards providing the loading standards are within the approved district's teacher contract, and do not exceed 33 students per classroom.

Specific Issue

Last fall, a K-8 one-school district submitted an *Application for Funding* (Form SAB 50-04) requesting a UOG for an MEF that the OPSC was unable to process to the Board based on current SFP regulations.

The district requested a UOG to expand an existing MPR to include full gym functionality for the 7th-8th grade students. The enlarged facility was viewed by staff and the California Department of Education (CDE) as an MPR. SFP Regulation Section 1859.77.3(a) states that funding for a new MEF is authorized "at an existing site that does not have an existing or adequate facility of the type being requested...." It then specifies the calculations to determine whether or not an existing MEF would be eligible for State funding for the expansion. The existing MPR met the square footage requirements in the Regulations, so the expansion could not be funded. However, the Regulations did authorize funding for a separate gym facility for the 7th-8th grade students because the school site did not have an existing gym.

The district appealed its case to the Board, which voted to consider the expansion area of the MPR as a separate gym and approved only those costs related to the expanded area. Prior to this action, CDE re-reviewed the district's plans and was able to determine that the new facility was a unique circumstance, and provided an updated approval letter to note the unique features of the hybrid building. The Board asked for a review of the regulations.

STAFF ANALYSIS/STATEMENTS

Determining if an MEF Project is Eligible for State Funding Under Use of Grants

The SFP Regulations authorize a UOG request for funding for a new MEF only if there is no existing MEF, or if an existing MEF is found to be "inadequate." To be classified as inadequate, the existing square footage must be less than 60 percent of the square footage necessary for the current enrollment of the site plus the capacity of the proposed project. This calculation is used to determine the amount of square footage the State is authorized to help fund, but districts may build larger facilities with other fund sources.

The calculation is as follows:

- a) Site enrollment + project capacity = total eligible pupils
- b) Multiply the total eligible pupils by the per pupil square footage for the type of facility being requested pursuant to Section 1859.82(b) chart (see Attachment B).
- c) Use the greater of either the total determined in b) or the minimum square footage for the type of facility and grade level from Regulation Section 1859.82(b); 5,000 square feet for middle.
- d) Divide the existing square footage by either the greater of b) or the minimum square footage for the grade level.
- e) If d) is less than 60 percent, the project qualifies for a UOG pursuant to SFP Regulation Section 1859.77.3(a)(5).

The district identifies the type of project as elementary, middle or high school on the Form SAB 50-04. This determines which column is used from the Section 1859.82 chart.

(See examples in Attachment C.)

SAB Direction

The SAB, at its February 22, 2012 meeting, directed OPSC staff to revise the regulations to address unique cases related to K-8 facilities, such as the appeal described previously, and to discuss the issue at the Implementation Committee.

At the June 8, 2012 SAB Implementation Committee meeting, there was discussion illustrating that there are many districts moving to different grade level combinations besides K-8, making this a potential issue at school sites other than K-8.

DISCUSSION

In the case of the recent appeal, the project included renovation of the existing MPR floor space to be combined with the floor of the addition as one large gym floor. The apportionment related only to the addition and did not relate to the renovation of the existing space.

It appears that this issue is unlikely to occur for facilities other than MPR/Gym Hybrid buildings. A building that contains both gym space and library space, for example, could easily be calculated as separate MEFs because they would serve clearly separate functions, and be separated by a wall. However, the floor space in an MPR may already be used for indoor physical education, so the addition of extra space to create full gym function would typically be considered an expansion to the multipurpose room as opposed to building a gym.

K-6 sites are not eligible for a separate gym, so this issue would not impact elementary schools. However, it could occur at middle schools, high schools, or schools that combine grade levels.

Considerations

- Are there any other combinations of MEFs besides MPR/Gym that would share square footage?
- How should an MPR/Gym Hybrid be defined? What are the criteria for an MPR/Gym Hybrid that will distinguish it from an MPR or Gymnasium?
- How would we calculate the maximum amount of square footage for State funding under the UOG?
 - Cap the State funding at the square footage allowed for a Gymnasium, which is greater than that allowed for an MPR?
 - Allow the square footage for a Gymnasium, and add _____square feet for the Kitchen?
- A District would be entitled to build MPR's, Gyms, and Hybrids for the following types of school sites:
 - Elementary School site: Eligible for an MPR only
 - Middle School site: Eligible for an MPR and Gymnasium, or for an MPR/Gym Hybrid
 - High School site: Eligible for an MPR and Gymnasium, or for an MPR/Gym Hybrid
 - For school sites that combine two or more grade levels, use the type for the highest grade level. For example, a combination elementary/middle school site would use the Middle School level.

ATTACHMENT A

Use of New Construction Grants For Minimum Essential Facilities

Section 1859.77.3. Use of New Construction Grant Funds for Projects Accepted by the DSA after January 22, 2003.

New Construction Grant funds and any other funds provided by these Regulations shall be expended as set forth in Education Code Section 17072.35; and may also be utilized for the cost incurred by the district for the development and implementation of remedial action plan approved by the DTSC pursuant to Education Code Section 17213.

Authorization for use of New Construction Grants for which the final plans and specifications for the project were accepted by the DSA after January 22, 2003 may be requested as follows:

- (a) A district may request new construction grants that exceed the capacity of the project based on loading standards pursuant to Education Code Section 17071.25(a)(2) and any loading standards adopted by the SAB by these regulations if the project is to construct a multipurpose, gymnasium and/or library, or for an Alternative Education school to construct a multipurpose/gymnasium, library, counseling offices, and/or conference rooms, at an existing site that does not have an existing or adequate facility of the type being requested when all of the following is met:
 - (1) The district must adopt a school board resolution that has been discussed at a public hearing at a regularly scheduled meeting of the district's governing board on a date preceding the application filing that includes the following:
 - (A) An acknowledgement that funds for the purposes of housing the excess pupils are being diverted to another project.
 - (B) An acknowledgement that the State has satisfied its obligation, pursuant to Section 1859.50, to house the pupils receiving grants in the project.
 - (C) A plan outlined in the resolution that identifies how the district has housed or will house the pupils receiving grants in the project in school buildings as defined in Education Code Section 17368. The plan must certify one of the following methods:
 - 1. The district will construct or acquire facilities for housing the pupils with funding not otherwise available to the SFP as a district match within five years of project approval by the SAB, and the district must identify the source of the funds; or
 - 2. The district will utilize higher district loading standards providing the loading standards are within the approved district's teacher contract and do not exceed 33:1 per classroom.
 - (2) The existing school site was not constructed under the SFP.
 - (3) The proposed project includes no more than eight classrooms.
 - (4) Grants requests, above 100 percent of the number of pupils to be housed, based on Special Day Class pupil eligibility are only permitted under this subsection (a) when building a Special Day Class facility.
 - (5) For purposes of this section to determine if an existing facility is inadequate, the existing square footage is less than 60 percent of the square footage necessary for the current CBEDS for the site plus the Net School Building Capacity of the proposed project **as calculated pursuant to Section 1859.82(b)**, except for Alternative Education Schools....

(Alternative Education chart not included.)

- (6) The maximum excess pupil amount being requested for this type of use of grants request, is calculated by the following:
 - (A) Multiply the current CBEDS for the site plus the Net School Building Capacity for the proposed project by the square footage for the type of facility being requested, pursuant to Section 1859.82(b), except for Alternative Education Schools. For Alternative Education Schools, refer to the chart above.
 - (B) Multiply the product in (a)(6)(A) above by the per square foot grant amount for multipurpose, gymnasium or library facilities pursuant to Section 1859.82(b); utilize the same per square foot grant amount for the Alternative Education school facilities as shown in Section 1859.82(b).

(C) Divide the product in (a)(6)(B) above by the New Construction Grant amount for the project grade level, rounded up to the nearest whole number.

(1859.77.3(b) and (c) not included.)

If a district wishes to amend its Approved Application to include or increase its use of grants request after the submittal to the OPSC, the district must request in writing that the Approved Application be withdrawn and removed from the OPSC workload list. The resubmitted application will receive a new processing date by the OPSC.

The New Construction Grant amount provided shall be determined based on the grant amount provided in Education Code Section 17072.10 for the grade level that generated the eligibility and any New Construction Additional Grant or New Construction Excessive Cost Hardship Grant the district qualifies for as provided by these regulations.

Note: Authority cited: Sections 17070.35 and 17072.13, Education Code.
Reference: Sections 17072.13 and 17072.35, Education Code.

ATTACHMENT B

The following chart is from SFP Regulation Section 1859.82, Facility Hardship, and is also used for Use of Grants (UOG).

The square footage provided, after accounting for all useable facilities on the site, shall not exceed the following:

<i>Facility</i>	<i>Elementary School Pupils</i>	<i>Middle School Pupils</i>	<i>High School Pupils</i>
Multi-Purpose (includes food service)	5.3 sq. ft. per pupil minimum 4,000 sq. ft.	5.3 sq. ft. per pupil minimum 5,000 sq. ft.	6.3 sq. ft. per pupil minimum 8,200 sq. ft.
Toilet	3 sq. ft. per pupil minimum 300 sq. ft.	4 sq. ft. per pupil minimum 300 sq. ft.	5 sq. ft. per pupil minimum 300 sq. ft.
Gymnasium (includes shower/locker)	N/A	12.9 sq. ft. per pupil minimum 6,828 sq. ft. maximum 16,000 sq. ft.	15.3 sq. ft. per pupil minimum 8,380 sq. ft. maximum 18,000 sq. ft.
School Administration	3 sq. ft. per pupil minimum 600 sq. ft.	3 sq. ft. per pupil minimum 600 sq. ft.	4 sq. ft. per pupil minimum 800 sq. ft.
Library/Media Space	2.3 sq. ft. per pupil plus 600 sq. ft.	3.3 sq. ft. per pupil plus 600 sq. ft.	4.3 sq. ft. per pupil plus 600 sq. ft.

The OPSC proposes to amend SFP Regulation Section 1859.77.3, Use of Grants, to include the following:

The square footage provided, after accounting for all useable facilities on the site, shall not exceed the following:

<i>Facility</i>	<i>Elementary School Pupils</i>	<i>Middle School Pupils</i>	<i>High School Pupils</i>
<u>Hybrid MPR/Gymnasium (may include food service, shower/locker)</u>	<u>N/A</u>	<u>12.9 sq. ft. per pupil minimum 6,828 sq. ft. maximum 16,000 sq. ft.</u>	<u>15.3 sq. ft. per pupil minimum 8,380 sq. ft. maximum 18,000 sq. ft.</u>

ATTACHMENT C

How to Determine if an Existing MEF is Adequate – Examples

The following table shows how to calculate the appropriate square footage for an MPR.

Type of Project (per 50-04)	Middle School
Site Enrollment (per CBEDS)	350
Project Capacity (4 CR's x 27 pupils)	+ 108
Total Capacity	458
Square footage per pupil for Middle School MPR (per 1859.82 chart)	x 5.3
Appropriate square footage for MPR	2,427.4
Minimum square footage for Middle School MPR	5,000

Example 1

Existing MPR with a square footage above 60% of the appropriate square footage.

Use the greater of the appropriate square footage (2,427.4) or the minimum (5,000)	5,000
Square footage of existing MPR	4,000
Divide sq. ft. of Existing MPR (4,000) by the greater of the Appropriate sq. ft. or the Minimum sq. ft.	80%

The existing MPR is more than 60% of the minimum square footage as shown in the 1859.82 chart. Therefore, this project **does not qualify** for a UOG under Regulation Section 1859.77.3.

Example 2

Existing MPR with a square footage below 60% of the appropriate square footage.

Use the greater of the appropriate square footage (2,427.4) or the minimum (5,000)	5,000
Square footage of existing MPR	2,970
Divide sq. ft. of Existing MPR (2,970) by the greater of the Appropriate sq. ft. or the Minimum sq. ft.	59%

The existing MPR is less than 60% of the minimum square footage as shown in the 1859.82 chart. Therefore, this project **does qualify** for a UOG under Regulation Section 1859.77.3.

STATE ALLOCATION BOARD
IMPLEMENTATION COMMITTEE MEETING
July 12, 2012

Applying the Project Information Worksheet (PIW) to
Additional School Facility Program (SFP) Project Types

PURPOSE OF REPORT

To facilitate the generation of ideas for using the PIW capture data for other SFP projects in addition to new construction.

DESCRIPTION

At the February, March and April 2012 State Allocation Board (Board) Implementation Committee (Committee) meetings, Office of Public School Construction (OPSC) staff worked with the Committee to develop plans to streamline the PIW online submittal process through auto-population of any information already collected by the OPSC, and options to reduce the number of submittals required.

Also discussed was whether the PIW could be used for other SFP project types other than new construction, such as modernization. Consensus was reached that the worksheet would need substantial modifications to capture meaningful modernization project data. The OPSC has received further clarification that the original direction at the January 2012 Board meeting was to develop a detailed proposal to expand the PIW to collect data for other SFP project types, and it is expected that this proposal will be included in the item that the OPSC presents to the Board.

AUTHORITY

See Attachment A

BACKGROUND

The Board approved the PIW in September 2007 and modified it in May 2010 (see Attachment B). The worksheet was approved by the Board originally for the following purposes:

- To analyze the relationship between the pupil grant and the cost of new construction pursuant to EC Section 17072.11(b)
- To demonstrate bond accountability
- To identify the changes in the bid climate over time
- To evaluate the High Performance Incentive (HPI) Grant

At the January 2012 Board meeting, the Board directed staff to bring a discussion of PIW improvements to the Committee, specifically to explore:

- Ways to streamline the PIW
- Reducing the number required submittals for individual projects
- Applying the PIW to programs other than New Construction

The PIW is currently required for these SFP project types:

- New Construction (50)
- Facility Hardship New Construction (51)
- Critically Overcrowded Schools (53)
- Charter Schools (54) (new construction only)
- Overcrowding Relief Grant (56)
- Modernization (57) – only HPI info, if applicable

The PIW is not required for these SFP project types:

- Joint-Use (52)¹
- Charter Schools (54) (rehabilitation)
- Career Technical Education (55) (new construction)
- Career Technical Education (59) (modernization)
- Modernization (57)
- Facility Hardship rehabilitation (58) (modernization)

STAFF ANALYSIS/STATEMENTS

Currently, a PIW is required for all new construction projects that receive funding based on new construction pupil grants, or for modernization projects that receive HPI grant funding. Because the PIW was originally designed for only projects funded on the basis of new construction pupil grants, many of the questions may not apply to modernization projects. For example, the classroom square footage and building costs may not be as relevant as the project scope (roofing, electrical, etc.) and the costs specifically associated with Americans with Disabilities Act compliance, which are not captured on the PIW, for modernization projects.

Although the Joint-Use and Career Technical Education (CTE) do not use new construction pupil grants for funding, new construction projects are funded through the programs. Therefore, some of the questions currently included in the PIW could be applied to the Joint-Use and CTE new construction projects. However, there may be a need for supplemental questions to capture information specific to Joint-Use or CTE projects, such as the industry sector the CTE curriculum will be based on.

¹ If a new construction project includes joint-use funding, then the district indicates the following information on the PIW: type of joint-use partner, OPSC application number (if applicable), type of joint-use facility and the amount of funds provided by the joint-use partner and/or the State. No information is gathered on the PIW for any joint-use project that is not part of a State-funded new construction project.

The remaining SFP project types, Modernization, Facility Hardship Rehabilitation, CTE modernization and Charter School rehabilitation, are all variants of modernization. Just as the current PIW applies to several programs involving new construction, if the PIW was expanded to include questions related to modernization, it could be applied to all of these remaining programs.

It may also be useful to add some questions related specifically to both new construction and modernization Facility Hardship and Charter School projects.

NEXT STEPS

According to Education Code Section 17074.25, modernization funding can be used “to extend the useful life of, or to enhance the physical environment of, the school.” In order to update the PIW to apply to modernization projects, the first step is to identify the types of work included that may be included.

The types of work may include the following partial list of potential modernization elements, as allowed specifically in Education Code Section 17074.25:

- Replacement of portable classrooms
- Purchase and installation of air-conditioning equipment
- Furniture and equipment, including telecommunication equipment to increase school security
- Fire safety improvements
- Playground safety improvements
- Identification, assessment, or abatement of hazardous asbestos
- Seismic safety improvements
- Upgrading of electrical systems
- Installation of wiring or cable to accommodate educational technology
- Characteristics of high performance schools/HPI components

The types of work may also include:

- Like-for-like replacement of permanent or modular classrooms or core facilities
- Reconfiguration for educational purposes
- Roof replacement
- Window replacement

Once the possible range of modernization projects is adequately described, it will be possible to determine what data will be useful, and to develop appropriate questions.

The Project Funding and Project Costs sections for modernization might be substantially similar to those used for new construction, but some of the costs would be different. Potential cost breakouts for modernization might include costs related to ADA compliance.

The Project Information section would need to be very different for modernization projects as the project scope is often very different from new construction projects. Questions might include:

1. Identify the scope of modernization work for each project
 - a. Utilities, site work
 - b. ADA Compliance
 - c. Fire and life safety upgrades—fire alarms, sprinklers, etc.
 - d. Systems replacements
 - e. Envelope upgrades—windows, roofs, etc.
 - f. Educational modernization/renovations
 - g. Replacement, like-for-like
 - h. Additions to existing area as part of the project
2. Identify building areas modernized (sf)
3. Identify site areas modernized (sf)
4. Identify age of buildings being modernized

It may also be beneficial to capture the following information on the worksheet:

- System component costs, such as HVAC, electrical, etc.
- Installation Costs
- Any incidental upgrades necessary to complete the project, such as electrical wiring
- Features included in the system
- Area measurements served by the system
- Facility types served by the system (classrooms, gymnasium, MPR, etc.)
- Anticipated energy cost savings

After it is determined what data to collect, the OPSC will identify what is currently being collected by the OPSC and work towards automatically populating the PIW during the online submittal process.

ATTACHMENT A

EDUCATION CODE

Education Code (EC) Section 17072.11 (b) states, “On or after January 1, 2008, the [Board] shall increase or decrease the per-unhoused-pupil grant eligibility determined pursuant to subdivision (a) by amounts it deems necessary to cause the grants to correspond to costs of new school construction, provided that the increase in any fiscal year pursuant to this section shall not exceed 6 percent.”

EC 17074.25 states, “(a) A modernization apportionment may be used for an improvement to extend the useful life of, or to enhance the physical environment of, the school. The improvement may only include the cost of design, engineering, testing, inspection, plan checking, construction management, demolition, construction, the replacement of portable classrooms, necessary utility costs, utility connection and other fees, the purchase and installation of air-conditioning equipment and insulation materials and related costs, furniture and equipment, including telecommunication equipment to increase school security, fire safety improvements, playground safety improvements, the identification, assessment, or abatement of hazardous asbestos, seismic safety improvements, and the upgrading of electrical systems or the wiring or cabling of classrooms in order to accommodate educational technology. A modernization grant may not be used for costs associated with acquisition and development of real property or for routine maintenance and repair.

(b) A modernization apportionment may also be used for the cost of designs and materials that promote the efficient use of energy and water, the maximum use of natural lighting and indoor air quality, the use of recycled materials and materials that emit a minimum of toxic substances, the use of acoustics conducive to teaching and learning, and other characteristics of high-performance schools.”

EC Section 17070.35(a) states, “In addition to all other powers and duties as are granted to the board by this chapter, other statutes, or the California Constitution, the board shall do all of the following: . . . (2) Establish and publish any procedures and policies in connections with the administration of this chapter as it deems necessary.”

GOVERNMENT CODE

Government Code Section 15503 states, “Whenever the board is required to make allocations or apportionments under this part, it shall prescribe rules and regulations for the administration of, and not inconsistent with, the act making the appropriation of funds to be allocated or apportioned. The board shall require the procedure, forms, and the submission of any information it may deem necessary or appropriate. . . .”

SCHOOL FACILITY PROGRAM REGULATIONS

School Facility Program (SFP) Regulation Section 1859.71 states, “The new construction per-unhoused-pupil grant amount, as provided by (EC) Section 17072.10(a), may be increased by an additional amount not to exceed six percent in a fiscal year, or decreased, based on the analysis of the current cost to build schools as reported on the Project Information Worksheet (New 09/07) which shall be submitted with the Forms SAB 50-05 and 50-06 and as approved by the Board.”

SFP Regulation Section 1859.104.1 states, “A school district filing a (PIW) with the best information available will not be subject to a Material Inaccuracy for that information.”

SFP Regulation Section 1859.71 states, “The new construction per-unhoused-pupil grant amount, as provided by Education Code Section 17072.10(a), may be increased by an additional amount not to exceed six percent in a fiscal year, or decreased, based on the analysis of the current cost to build schools as reported on the Project Information Worksheet (New 09/07) which shall be submitted with the Forms SAB 50-05 and 50-06 and as approved by the Board.”

SFP Regulation Section 1859.104 states, “A School District receiving an Apportionment for high performance incentive grants pursuant to Section 1859.71.6 or 1859.77.4 shall submit a completed Project Information Worksheet to the OPSC for all expenditures related to the additional design and construction costs of the high performance building components. In addition, the School District shall provide information related to resulting energy savings and efficiency, as well as other resulting benefits. The Project Information Worksheet shall be submitted with the Form SAB 50-05 and the District’s first and final Forms SAB 50-06 pursuant to (a)(1) and (2) above.”