

# ADVISORY ACTIONS

**ISSUE NO. 03**  
 from the  
 State Allocation Board  
 meetings held on  
 May 26 and June 23, 2004

**INSIDE**

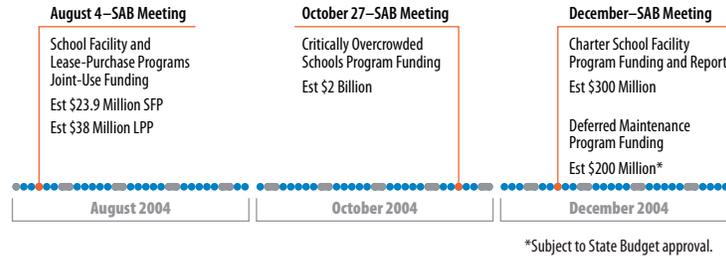
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from the desk of Luisa Park, Executive Officer

## What's on the Horizon...

As a new fiscal year begins, one might ask, "What's on the horizon for the Prop 55 apportionments?" The answer is a full list of events for which staff has been preparing. Filing periods have recently ended for the School Facility Joint Use, Lease-Purchase Joint Use, Critically Overcrowded Schools and the Deferred Maintenance Programs. The Charter School Facility Program final filing date is almost here concluding on July 29, 2004. In addition to apportionments that the State Allocation Board makes each month for modernization and new construction for the School Facility Program, the timeline below reflects an overview of what we have planned next for our programs and Propositions 47 and 55 through the end of the year.



While our focus is on the future, we also reflect on our recent success with the Federal Renovation Program (FRP) that provided \$103 million from the United States Department of Education. The FRP demonstrates what can be accomplished in record time with the spirit of cooperation. A total of 412 California school districts across the State benefited from this federally funded program helping to meet a gap in this critical area of public school facilities funding. Please read the article in this issue of the *OPSC Advisory Actions* to learn more about the FRP accomplishments.

We encourage districts to plan ahead and submit modernization and new construction applications as soon as possible. This office is ready to assist you. Please feel free to call upon your OPSC Project Manager for assistance or to arrange an outreach visit.

As you may have heard by now, I have decided to resign from my position as the Executive Officer of the State Allocation Board and Office of Public School Construction. These last 23 years have been an extraordinary and enjoyable journey. Our accomplishments together have been unparalleled providing a monumental and positive impact for the benefit of our children of California. I want each of you to know just how much I have appreciated your help through the years and that I have enjoyed working with you. These are memories I will always cherish.

*Luisa M. Park*

## Reporting Dwelling Units

BY MELISSA LEY, OPSC PROJECT MANAGER

When determining program eligibility, the School Facility Program (SFP) has always provided for an augmentation to the five-year projection based on the number of pupils that will reside in dwelling units included in an approved and valid tentative or final subdivision map. Essentially, districts that are experiencing unusual residential growth can factor in these additional students into the enrollment projection. During the month of June, the Office of Public School Construction (OPSC) staff visited San Diego, Orange, Los Angeles, San Bernardino/Riverside, Sacramento, Fresno, and Imperial counties providing educational workshops on dwelling unit reporting requirements. Provided below are the highlights of the information shared.

### What's New About The Submittal Requirements?

In short, just the submittal sequencing. Previously, any request to include dwelling units on the *Enrollment Certification/Projection* (Form SAB 50-01) required district certification that the local planning commission or approval authority had approved the tentative or final subdivision maps. This certification also required that the tentative or final subdivision maps used to support the request are available at the district for OPSC verification. Currently, the OPSC is now requiring that districts submit the supporting documentation to validate the reported dwelling units at the time the district submits its Form SAB 50-01.

*Continue on page 5*

**OPSC REMINDERS...**

► **State Allocation Board Meetings\***

The July 28 meeting has been rescheduled to **Wednesday, August 4, 2004.**

Wednesday, August 25, 2004  
 Wednesday, September 22, 2004

► **Implementation Committee Meetings\***

The August 6 meeting has been rescheduled to **Thursday, August 5, 2004, at 10:00 a.m.**

Friday, September 2, 2004  
 Friday, October 1, 2004

► **Charter School Facility Program Filing Period**

Application Submittal: Apr 1, 2004–Jul 29, 2004  
 SAB Date: December 2004

► **Interest Earned Report (Form SAB 180)**

Due quarterly (March 31, June 30, September 30 and December 31) from each county for all districts which have earned interest from the Leroy F. Greene Lease-Purchase Fund.

\*For the latest meeting dates, times and locations, check the OPSC Web site.

HUGE SUCCESS!!!

## Federal Renovation Program

# \$103 Million Dollars and Over 412 Schools Benefited!

BY DARLENE J. NEWMAN, OPSC PROJECT MANAGER

The Federal Renovation Program (FRP) was established in 2002 when \$103 million was provided to the State of California by the United States Department of Education.

The Office of Public School Construction's (OPSC) responsibility was to establish and implement a program that would provide a vehicle to disperse those federal funds. The FRP program achieved this and was an enormous success, providing improved facilities addressing health and safety needs at many of California's schools.

### What Was The FRP All About?

The FRP's primary focus was to address construction improvements for individual pupils that have special needs under the American Disability Act (ADA) and attending to the provision of a healthier and safer environment. The construction improvements would include various aspects of replacement, repair, renovation or acquisition of items to address roofing, electrical wiring, plumbing, heating, ventilation, air conditioning, and various needs for fire code compliance.

With this in mind, the FRP was established and was accomplished in record time maintaining compliance with the Federal government's requirements. The OPSC quickly developed comprehensive, user-friendly FRP regulations and obtained the State Allocation Board's (SAB) approval in January 2002. The California FRP regulations were used by the federal government as a model for other states. The FRP application

filing period concluded on April 15, 2002, and the SAB apportioned the federal funds at the May and June 2002 SAB meetings.

### Who Benefited?

A total of 412 California school districts, many with multiple projects received grants from the federally funded program. The variety of critical needs resulted in a multitude of improvements statewide. The school districts represent urban, suburban and rural areas and serve a wide variety of student populations.

### Green Point Elementary School

Small, rural school districts face significant funding challenges to address even the fundamentals such as health and safety issues and universal access for all students. Green Point Elementary School in Blue Lake, Humboldt County is one such school that benefited from the federal funds. The district's enthusiasm and genuine appreciation over the end product for the wellbeing of their children are what makes these endeavors so rewarding. The school district took advantage of the FRP and used the funds for health and safety projects at the school site as well as ADA provisions.

Green Point is nestled in the mountain forests of Northern California where they are inhabited by mountain lions. The school was in dire need to offer safety for the children while outdoors. The school's perimeter is now surrounded with fencing to keep the wildlife out and the children protected while at play. The project included paving for what had been a gravel playground and a paved emergency access road. The school had been powered by a generator system that produced both highly noxious fumes and unacceptably high noise levels. With the federal funding, the system was replaced with the installation of a clean and self sufficient hydro-electrical system which not only addressed the hazardous air quality and noise pollution, but also produces ample energy to operate the entire school.

The FRP provided critical funding to help meet vital needs for the facilities of the public school education system. The FRP demonstrates what can be accomplished in record time with the spirit of cooperation between the federal and state government, as well as the public school districts served. The OPSC wishes to take this opportunity to express our appreciation to the Federal Government for the joint effort in aiding with the critical facilities needs for California's public school children. ■



PHOTOGRAPHS COURTESY OF NICKOLAS S. SANCHEZ



## Critically Overcrowded School Facilities Program Report

BY JESSICA PARR, OPSC PROJECT MANAGER

A report was presented to the State Allocation Board (SAB) on June 23, 2004, regarding the feasibility of changes to the eligibility requirements in the Critically Overcrowded School (COS) Facilities Program. The report was previously discussed at the June Implementation Committee meeting.

### What is the COS Program?

The COS program was established in 2002 and provides a preliminary apportionment to secure a reservation of funds in advance of the site selection, hazardous waste clean-up and agency approvals for schools in critically overcrowded areas in order to relieve overcrowding. Currently, to convert to a final apportionment, the district must meet all new construction requirements of the School Facility Program (SFP), including having sufficient SFP eligibility for the project at the time of the preliminary apportionment and at project conversion.

### Report Issue

Several school districts have voiced concerns stating that due to declining enrollment or reporting enrollment of attendance, the district may be unable to substantiate the project(s) at conversion, as required by law. School districts suggested allowing a project to be verified by residence rather than enrollment location.

Several alternatives were presented in the report; however, staff also reported that the SAB has no authority to eliminate or modify the second check of new construction eligibility upon conversion of a COS project without a legislative remedy. The SAB members discussed the current legislation, Assembly Bill 2950, authored by Assembly Member Goldberg containing language similar to alternatives suggested in the report and concluded the proposed legislation will be monitored.

If you have any COS Program questions, please contact your OPSC Project Manager. ■

## Wondering What Happened to the LCP Grant? Read On!

BY LINDSAY ROSS, OPSC PROJECT MANAGER

Beginning with the January 2004 State Allocation Board (SAB) meeting, the SAB has been unable to apportion funds for costs related to Labor Compliance Programs (LCP) required by Labor Code Section 1771.7. This was due to the expiration of the School Facility Program emergency regulations supporting the LCP grant. A report of the status of those regulations was presented at the June 2004 SAB meeting. Staff will return the item to the "July" meeting, which has been rescheduled to occur on August 4, 2004, along with the previously approved regulations for the Board's consideration.

For additional information about the LCP grant, please contact your OPSC Project Manager ■.

## Recently Celebrated Groundbreakings!

BY CHRISTINE SANCHEZ, OPSC PROJECT MANAGER

The Office of Public School Construction (OPSC) would like to thank the school districts for keeping us informed on your groundbreaking events! We look forward to sharing in your excitement. Congratulations to the following districts on their recently celebrated groundbreakings:

DISTRICT	COUNTY	SCHOOL	GROUNDBREAKING
Los Angeles USD	Los Angeles	Maywood Elementary School #5	April 2004
Center USD	Sacramento	Wilson C. Riles Junior High School	May 2004
River Delta USD	Sacramento	D.H. White Elementary (Cliff Tapella Performing Arts Building)	May 2004
San Luis Obispo COE	San Luis Obispo	Meadowlark Addition	June 2004
San Luis Obispo COE	San Luis Obispo	Morro Road Education Center	June 2004
San Luis Obispo COE	San Luis Obispo	Atascadero High School	June 2004

To help us highlight your celebrations, please submit the information referenced in the table above with your project's School Facility Program application number to the OPSC to the attention of New School Dedications and Groundbreakings. ■

## OPSC Welcomes A New Face...



JACQUELINE R. WILSON  
DEPUTY EXECUTIVE OFFICER

The Office of Public School Construction (OPSC) is pleased to announce the appointment of Jacqueline R. Wilson as the new Deputy Executive Officer. Ms. Wilson has over 29 years of State service in various positions.

Most recently she served as the Deputy Director for the Department of General Services (DGS). In that capacity she represented the Director of DGS on the State Allocation Board and California Victim Compensation and Government Claims Board. In addition she was responsible for the Interagency Support Division (ISD) including the Office of State Publishing charged with publishing legislative bills, publications, voter pamphlets, and tax forms, etc.; Fleet Administration, responsible for transportation services, such as managing the Statewide Travel Program for all State and local government employees, providing State vehicles for use by State employees, etc.; and the OPSC. Under Ms. Wilson's leadership, the ISD continued to ensure quality, cost-conscious, and timely support and administrative services to state and public agencies that deliver needed services to the State of California.

Prior to joining DGS, Ms. Wilson served as the Legislative Director for the Department of Information Technology and Department of Housing and Community Development. Ms. Wilson has been involved in various local community activities in the City of Sacramento. Formerly served on the Board of Directors for the Sacramento Women's Program, President of Black Advocates in State Service and as a member of Women In Government. Ms. Wilson holds a Bachelor of Science degree in Business Administration. Ms. Wilson's experience will be an asset to our office and we are please she has joined us. ■

## Bidding Climate Report

BY HEATHER DOHERTY, OPSC PROJECT MANAGER

Some school districts and design professionals engaged in the construction and modernization of facilities funded by the State report significant difficulties in receiving competitive bids on projects. In April 2004, the State Allocation Board (SAB) requested staff to look into the matter and provide information on what Office of Public School Construction (OPSC) could do administratively to help districts deal with the high bid climate. At the June 2004 SAB meeting, the OPSC presented a bidding climate report that included information on the following topics:

### Construction Cost Index

In summary, the report indicated that recent cost indexes show an increase in construction costs statewide since the beginning of this year. The nearly \$18 billion in funding allocated by the SAB since 1999 may have had an adverse reaction on the bidding climate. With bonding requirements for public works contracts and the special nature of the Field Act, it may be difficult for small contractors and subcontractors to meet these requirements. Therefore, a limited number of "qualified" contractors are available. Districts in some areas are experiencing difficulties receiving competitive bids due to the saturation of the industry from booming home and school construction. Subsequently, the limited number of contractors and anticipated rise in the price of materials has led to a possible disparate increase in bids to districts.

### 18-month Time Limit On Fund Release

In reviewing the 18-month time requirement to request a fund release, it should be noted that districts' requests for a fund release authorization, on average, are 101 days for new construction and 163 days for modernization. Therefore, any extension to the 18-month timeline would only exacerbate the problem of competitive bidding by making the construction cost index more out of date. While more data is required to determine the best solution, one suggestion provided at the June SAB meeting was to stagger future apportionments when faced with funding requests for large numbers of projects to help alleviate this problem.

### Per Pupil Base Grant

The issue of the adequacy of the grants was deemed too large to be addressed in the brief report. School district organizations are looking into the matter, and the OPSC and SAB have representatives in those discussions.

The SAB requested Staff to discuss the report at a future Implementation Committee meeting and report back to the Board. Please view the OPSC Web site for Committee meeting notifications, as well as access to the Bidding Climate Report. ■

## CHARTER SCHOOL FACILITIES PROGRAM...

## Time is Running Out!

BY JUAN MIRELES, OPSC PROJECT MANAGER

We are fast approaching the end of the filing period to apply for a preliminary charter school apportionment under the Charter School Facilities Program (CSFP). Proposition 55 provided \$300 million for the new construction of facilities for charter schools. This program allows charter schools that provide site based instruction to access State facility funding directly or through the school district where the charter school is physically located and to acquire a preliminary apportionment. School districts and charter schools are encouraged to take advantage of this great opportunity to participate in this unique program. The following are important facts to remember:

- Final filing date is July 29, 2004
- Senate Bill 15 revised the CSFP established under Assembly Bill 14 to maximize the number of projects funded
- The preliminary charter school apportionment is 50 percent State funded and 50 percent local match
- Local matching share can be satisfied by partial or total "lump sum payment", or through a lease agreement

The following items are necessary for a Charter School application package to be deemed complete by the Office of Public School Construction (OPSC) and the California School Finance Authority (CSFA):

#### OPSC Documents

- Completed Form: Application for Charter School Preliminary Apportionment, Form SAB 50-09 (with all supporting documentation)
- Form SAB 50-01, Form SAB 50-02 and Form SAB 50-03 for SFP New Construction Eligibility (if not previously submitted by the school district)
- A copy of the Chartering Agreement

#### CSFA Documents (2 Copies)

- Completed Form: Charter School Facilities Program Application, Form CSFA 03-01
- All supporting financial documentation (i.e., organization and financial information, all material contracts, and legal status questionnaire)

For more information on the CSFP, please contact Juan Mireles at 916.323.4470 or Barbara Kampmeiner at 916.323.2282 at the OPSC. For information regarding CSFA's application and review, please contact Katrina Johantgen, Executive Director, at 213.620.4467. ■

## Reporting Dwelling Units...

### What Are The Submittal Requirements?

The OPSC requires *one* of the following pieces of documentation for each subdivision when requesting dwelling units:

- A tentative or final subdivision map with the local planning commission or approval authority stamp approving the map; or,
- A tentative or final subdivision map with *appropriate supporting documentation*; or,
- A spreadsheet listing of all the subdivisions reported on the Form SAB 50-01 with *appropriate supporting documentation*. If you do not already have a spreadsheet listing of your tract maps, you can use the dwelling unit worksheet provided on the OPSC Web site.

### What Is Appropriate Supporting Documentation?

Appropriate supporting documentation can be any *one* of the following:

- Local planning commission or approval authority meeting minutes detailing the approval of the map.
- A letter from the local planning commission or approval authority indicating that the tract map is approved and currently valid.
- A detailed report from the planning commission that identifies the particular tract and its current status. In some cases, this report is called a "Residential Development Summary Report".
- Any other reasonable documentation from the local planning commission or approval authority that indicates the tract map is approved and currently valid.

### Helpful Hints

- Make sure the maps being used are approved and valid tentative or final subdivision maps or parcel maps (parcel maps can be used only for either apartment or condominium projects).
- Work closely with your local planning commission to ensure the maps are approved and currently valid.
- When reporting dwelling units on the Form SAB 50-01, be sure to reduce the number of proposed dwelling units by the number of permits pulled for construction within each subdivision.
- Use the dwelling unit worksheet provided on the OPSC Web site to ensure timely processing of the district's application.
- Check out the brochure located on the OPSC Web site which provides more detailed information on the dwelling unit augmentation process, submittal requirements, and frequently asked questions.

Remember, we encourage you to call your OPSC Project Manager if you have any questions regarding this subject. The dwelling unit brochure and dwelling unit worksheet are located on the OPSC Web site. ■

## New Online Eligibility Application for the SFP

BY ALICIA JOHNSON AND RASHID MIR, INFORMATION SYSTEM TEAM

The Office of Public School Construction (OPSC) is always looking for innovative solutions to make the application process easier for school districts. We believe that our new Online Eligibility Application for the School Facility Program accomplishes just that. It is up and running, and we encourage you to use it.

input data and return to the Web site to make changes later. The online program will ensure that you are always using the most current forms and calculations, eliminating the previous need to download the Excel version. Districts without Excel software will be able to calculate eligibility electronically.

### Why Do I Need to Know?

Foremost, we have designed this easy-to-use Web site to benefit our customers. The Online Eligibility Application replaces the current Excel spreadsheet which will be phased out in the future.

### How to Use

Follow the links from our Web site or go directly to the application at <http://www.applications.opsc.dgs.ca.gov/sab50/sab50main.asp>. To log in, use your CDE district code and Project Tracking Number Generator password. New construction eligibility forms must be submitted in order starting with the SAB 50-01, then the 50-02, and finally the 50-03. Modernization eligibility only requires submittal of the SAB 50-03.

### Benefits

The Online Eligibility Application allows input of district SAB 50-01, 50-02, and 50-03 data. New construction and modernization eligibility is instantly calculated and the forms are generated for you, ready to print and send to OPSC with your supporting documentation. When you enter eligibility data into our Web site, it is saved in our database. You also have the option to finalize your forms for submittal, or save the

For more information, be sure to view the posted instructions for each form accessible on the Web site. If you have any problems or suggestions, please feel free to contact your OPSC Project Manager. Log in today! We look forward to your feedback! ■

INCLUSIVE OF THE JUNE 23, 2004 SAB AGENDA

## Proposition Funds Put to Work

PROGRAM	BOND ALLOCATION	APPORTIONED	RELEASED/CONTRACTED
<b>Proposition 55</b>			
New Construction	\$ 4,960,000,000	\$ 0	\$ 0
Modernization	2,250,000,000	431,907,498	143,353,446
Charter School	300,000,000	0	0
Critically Overcrowded Schools	2,440,000,000	0	0
Joint Use	50,000,000	0	0
<b>Total Proposition 55</b>	<b>\$10,000,000,000</b>	<b>\$ 431,907,498</b>	<b>\$ 143,353,446</b>
<b>Proposition 47</b>			
New Construction	\$ 6,250,000,000	\$ 5,186,299,704	\$ 4,803,163,400
Modernization	3,300,000,000	3,295,720,711	2,930,108,421
Charter School	100,000,000	97,034,156	0
Critically Overcrowded Schools	1,700,000,000	1,697,872,847	0
Joint Use	50,000,000	16,186,513	7,238,393
<b>Total Proposition 47</b>	<b>\$11,400,000,000</b>	<b>\$10,293,113,931</b>	<b>\$ 7,740,510,214</b>
<b>Grand Total</b>	<b>\$21,400,000,000</b>	<b>\$10,725,021,429</b>	<b>\$ 7,883,863,660</b>

## Status of Funds

PROGRAM	BALANCE AVAILABLE AS OF JUNE 23, 2004
<b>Proposition 55</b>	
New Construction	\$ 4,960.0
Charter School	300.0
Energy	14.0
Modernization	1,810.9
Energy	6.0
Critically Overcrowded Schools	2,440.0
Joint Use	50.0
<b>Total Proposition 55</b>	<b>\$ 9,566.9</b>
<b>Proposition 47</b>	
New Construction	\$ 1,008.4
Charter School	0.5
Energy	10.9
Modernization	0.0
Energy	4.3
Critically Overcrowded Schools	2.1
Joint Use	33.8
<b>Total Proposition 47</b>	<b>\$ 1,060.0</b>
<b>Grand Total</b>	<b>\$10,626.9</b>

**NOTE:** Amounts shown above are in millions of dollars.  
The SAB funded \$24,521.52 for the Deferred Maintenance Program.



STATE ALLOCATION BOARD'S

# Implementation Committee

BRUCE B. HANCOCK, ASSISTANT EXECUTIVE OFFICER, STATE ALLOCATION BOARD

## At the previous meeting...

The following topics were discussed at the June 4, 2004 meeting of the State Allocation Board (SAB) Implementation Committee.

### CRITICALLY OVERCROWDED SCHOOLS PROGRAM

An extensive discussion regarding the Critically Overcrowded Schools (COS) Program was held. Staff had been requested by the SAB to review the current eligibility requirements for the conversion of COS projects. The Committee discussed the feasibility of possible alternatives regarding a district's projected eligibility based on declining CBEDS, which disallows the conversion of a COS project. Various alternatives and suggestions were presented by staff, Committee members and participants in the Program. For more information regarding this issue, refer to the "Critically Overcrowded Schools Program Report" article in this edition of the OPSC *Advisory Actions* newsletter.

### SCHOOL FACILITY PROGRAM MODERNIZATION—SB 15 ALPERT AND AB 1244 CHU

SB 15 (Chapter 587, Statutes 2003) and AB 1244 (Chapter 572, Statutes 2003) provide additional modernization apportionments for permanent school buildings every 25 years, and portable classrooms every 20 years. The Committee concluded its review of proposed modifications to the School Facility Program (SFP) Regulations and applicable forms which would allow school districts to become eligible to receive this additional modernization funding. For specific details, refer to the Regulations Update in this edition of the OPSC *Advisory Actions* newsletter.

### MODERNIZATION GRANT FOR 50 YEAR OR OLDER PERMANENT BUILDINGS

Staff concluded its presentation of proposed SFP Regulations amendments that clarify the appropriate reporting of classroom or square footage data on the Application for Funding used to determine 50 year old modernization grants for permanent school buildings that are 50 years old or older. For specific details, refer to the Regulations Update in this edition of the OPSC *Advisory Actions* newsletter.

## Watch for...

The following items are pending review at a future Committee meeting. You may log onto the OPSC Web site at [www.opsc.dgs.ca.gov/SAB/Imp\\_Calendar.htm](http://www.opsc.dgs.ca.gov/SAB/Imp_Calendar.htm) to view the agenda for the next Committee meeting and determine if items of interest are scheduled.

### BIDDING CLIMATE REPORT

Discuss the report presented at the June 2004 SAB meeting and address outlined items. Presentation of this issue began at the July 9th Committee meeting and will continue at future meeting(s).

### SFP ENROLLMENT AUGMENTATION; DWELLING UNITS AND STUDENT YIELD FACTOR

Discussion on proposed amendments to clarify the process for reporting dwelling units to augment SFP enrollment, as well as clarify the Student Yield Factor report guidelines. Presentation of this issue began at the July 9th Committee meeting and will continue at future meeting(s).

### PURCHASE AND CONVERSION OF NON-CONFORMING BUILDINGS FOR SCHOOL USE

To seek input from districts and design professionals regarding the costs of purchasing and retrofitting non-conforming buildings for school use. Presentation of this issue began at the July 9th Committee meeting and will continue at future meeting(s).

### NEW CONSTRUCTION ADDITIONAL GRANT FOR REPLACED FACILITIES

Discussion on proposed revisions of the criteria used to determine the eligibility for the supplemental grant to replace a single-story with a multi-story structure on the same site.

## The next meeting...

Of the SAB Implementation Committee meeting will be held on Thursday, August 5, 2004 (10:00 a.m. to 3:30 p.m.) in Sacramento. Please access the OPSC Web site to verify the meeting's location.

# REGULATIONS UPDATE

Typically, emergency regulatory tracts take approximately 30–45 days to become an effective emergency regulation after they are approved by the State Allocation Board (SAB) and prior to filing with the Office of Administrative Law. Non-emergency regulatory tracts take 120–180 days from the date the SAB approves the agenda item until the regulation(s) become effective.

The following regulation amendments were approved at the May 26, 2004 State Allocation Board meeting.

## EMERGENCY

# On Your Mark, Get Set, Go! Revised “180 Day” Regulations Now in Effect

BY LINDSAY ROSS, OPSC PROJECT MANAGER

As you may recall, the State Allocation Board approved regulatory amendments on August 27, 2003 entitled “District Funded Facilities Included in Existing School Building Capacity” to provide districts with more time to file a complete funding application. Unfortunately, those regulations inadvertently removed some important protections regarding the reporting of locally funded facilities where there is no intent to seek reimbursement for the expenditure. The Board rescinded its August 2003 action and approved a modified version of those regulations on May 25, 2004. The regulations are now in effect and the clock is ticking on the 120-day grandfathering period.

### What’s new, what’s not?

As before, the purpose of the new regulations is to extend the period of time a district has to file an application for new construction funding up to the point at which any classroom in the contract has been occupied. The regulations continue to include grandfathering provisions which allow previously ineligible projects that meet certain criteria to receive funding. However, the recently approved amendments do not contain any changes to the definition of when a classroom has been provided.

### When am I required to report additional pupil capacity added to my district?

A classroom is considered provided upon signing construction contracts, and any classroom capacity added to the district must be reported on the next Application for Funding (Form SAB 50-04) filed with the OPSC. If the next new

construction funding application is not for the funding of those classrooms, then they should be reported in the appropriate section of the Form SAB 50-04 and the new construction eligibility baseline shall be reduced accordingly. If the district has not received State funding for those classrooms and elects to seek reimbursement prior to occupancy of any classrooms in the construction contract, as stipulated by the new regulations, then the original eligibility reduction shall be reversed and reassessed as part of the funding application.

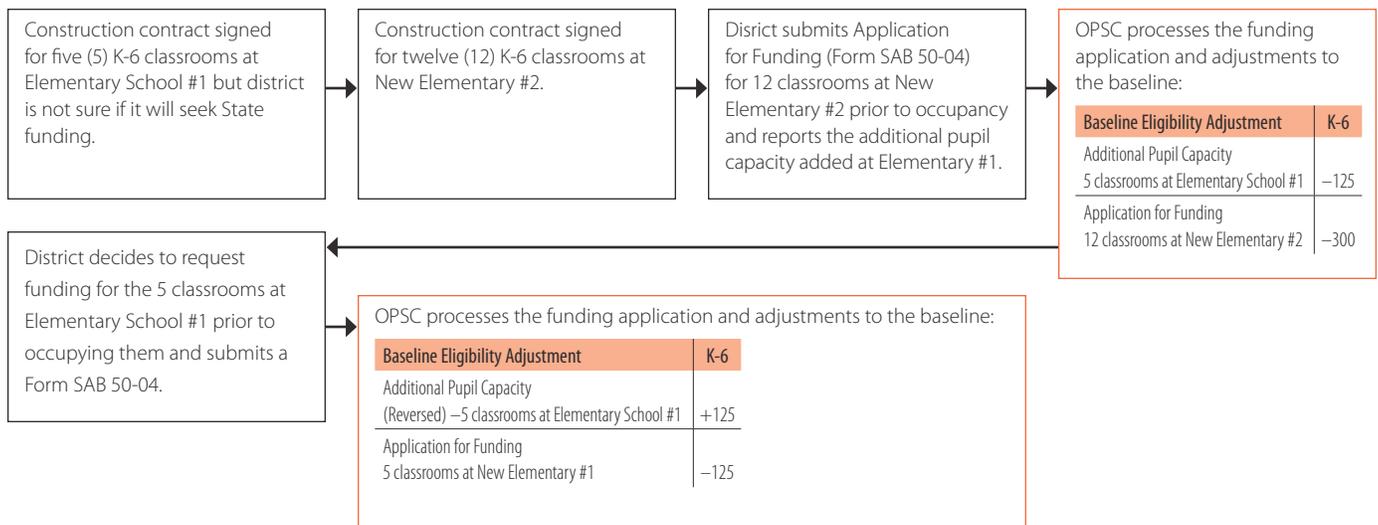
### Grandfathering Provisions...

Districts have until November 19, 2004 to submit an Approved Application for projects that were previously considered ineligible for School Facility Program new construction funding due to the construction contract exceeding 180 days from filing an Approved Application with the OPSC.

### Need a refresher course?

The Advisory Actions 2003, Issue Number 08, contains valuable information about the grandfathering provisions and time limits on filing an application for new construction funding, which remain unchanged in this modified version of the regulations.

### Example: XYZ Unified School District



The following regulation amendments were approved at the June 23, 2004 State Allocation Board meeting.

NON-EMERGENCY

## Second Round Modernization

BY ERIC BAKKE, OPSC PROJECT MANAGER

As school facilities continue to age, another mechanism allowing school districts to expand the useful life of their schools was introduced through Assembly Bill 1244 (Chapter 572, Statutes 2003) and Senate Bill 15 (Chapter 587, Statutes 2003). The State Allocation Board's (SAB) approval on June 23, 2004 permits changes to the School Facility Program that enable districts to receive an additional apportionment for the modernization of permanent school buildings every 25 years, or portable classrooms every 20 years, after the date of any previous State apportionment. The regulatory changes include the following:

- Requires that a portable classroom that is eligible for a second modernization be replaced, and to certify that the existing portable classroom will be removed from any classroom use.
- A district may modernize a portable for the second time if the district can document that modernizing the portable is a better use of public resources.
- Documentation justifying the modernization of a portable for a second modernization can be any of the following:
  - A cost benefit analysis prepared by a licensed design professional
  - A narrative that provides the rationale to substantiate the modernization of the portable
  - A copy of the school board minutes that indicates that the board and community have discussed and agreed that modernizing the portable classroom is better use of public resources
  - Any other evidence that would be satisfactory to the SAB.

To accommodate those projects previously modernized under the Lease Purchase Program, the OPSC is permitting school districts to switch options on the Eligibility Determination, Form SAB 50-03, regardless if a funding application was submitted. What does this mean for a school district? When eligible square footage or classroom space comes of age for a second modernization apportionment, school districts can report the eligible space either under Option A or Option B depending on which option provides the school site more eligibility. This will translate into school districts being able to maintain the usefulness on their sites in the face of growing enrollment.

NON-EMERGENCY

## "50-Year Old" Modernization Pupil Grants

BY KAREN SIMS AND LIZ YOKOYAMA, OPSC PROJECT MANAGERS

The State Allocation Board approved changes to the School Facility Program regulations that clarified the appropriate reporting of classroom or square footage data on the Application for Funding used to determine 50 year old modernization grants for permanent school buildings that are 50 years old or older.

### What's Been Clarified?

- The meaning of the word "project" for purposes of reporting the 50 year or older classrooms and square footages to determine the appropriate grants based on the eligibility at the site as opposed to the work shown in the construction plans.
- How the 50 year old pupil grants are calculated by either classroom count or square footage in proportion to the modernization eligibility on the school site.

When applying for 50 year old modernization grants, the calculation used to determine the ratio to establish the eligible grants is simply:

$$\% \text{ Ratio of Eligible 50-yr old Grant Amt} = \frac{\text{Sum of all permanent classrooms/sq ft} \cdot 50 \text{ yrs old}}{\text{Total no. of classrooms/sq ft Eligible for Modernization at the Site}}$$

Once the ratio is determined, it is applied to a district's most current modernization eligibility determination on Form SAB 50-03. The result is the maximum number of 50 year old modernization grants that a district can request of its modernization eligibility.

- The Application for Funding (Form SAB 50-04) has been revised to more easily allow districts to enter the information necessary.

To view additional information regarding these regulatory amendments, please view the OPSC Web site at [www.opsc.dgs.ca.gov](http://www.opsc.dgs.ca.gov).

For any of your questions, please contact your OPSC Project Manager.