



New Funding Opportunities

OVER THE LAST YEAR, THE GOVERNOR, LEGISLATURE, CALIFORNIA'S VOTERS, AND THE STATE ALLOCATION BOARD (SAB) have approved a number of new funding opportunities to provide additional and new grants to complete your vital school facility projects. This brochure is intended to provide a summary of these new opportunities implemented by the OFFICE OF PUBLIC SCHOOL CONSTRUCTION (OPSC). Also included is a pull out, easy reference sheet that you can post to remind you of the important application filing timelines and deadlines

The funding opportunities described in this brochure include:

GENERAL SITE DEVELOPMENT—a new additional grant for new construction projects

ACCESSIBILITY AND FIRE CODE REQUIREMENTS—a new option in the calculation of the modernization excessive cost hardship grant

PROPOSITION 1D—

- **SCHOOL FACILITY PROGRAM**—additional funds made available for the new construction, modernization, and joint-use programs
- **GRANT INCREASE**—a new percentage increase to the new construction unhoused per-pupil base grant
- **CHARTER SCHOOL FACILITY PROGRAM FUNDING**—additional funds made available in addition to changes to the program
- **SMALL HIGH SCHOOL PROGRAM**—additional funds made available and changes made to the program to invite more participation
- **HIGH PERFORMANCE INCENTIVE GRANT**—a new additional grant for new construction and modernization projects
- **CAREER TECHNICAL EDUCATION FACILITIES PROGRAM**—a new program
- **OVERCROWDING RELIEF GRANT**—a new grant
- **SEISMIC MITIGATION**—a new program

Additional Grant for General Site Development

The SAB approved amendments to the SCHOOL FACILITY PROGRAM (SFP) REGULATIONS to provide an additional grant for general site development at the JUNE 2006 SAB MEETING. The regulations were approved by the OFFICE OF ADMINISTRATIVE LAW (OAL) on an emergency basis and are now in effect.

What is general site development?

General site development includes but is not limited to: finish grading of the site, construction of on-site hard surfaced areas for foot traffic, driveways, walkways, outdoor instructional play facilities, permanent playground equipment, athletic fields, and landscaping.

Can I request the grant now?

The new grant can be requested currently as the regulations have been approved by the OAL. A check box has been added to the APPLICATION FOR FUNDING (FORM SAB 50-04) for the district to request the additional grant.

How do I qualify for the additional grant?

New construction projects qualify for the additional funding if:

- the project is funded for construction on or after June 28, 2006, and
- the project is located on a new school site not currently used for a school function, or

- the project is an addition to an existing site that includes the acquisition of additional acreage.

How much is the State grant?

The regulations provide a six percent increase to the new construction base grant for elementary and middle school projects and a 3.75 percent increase for high school projects. Based on the current 2007 CONSTRUCTION COST INDEX (CCI), an allowance of \$27,840 (\$13,920 State share) per new acre acquired will also be provided. This amount will be adjusted annually based on the change in the CLASS B CCI. The percentage increases for general site development will also be applied, when applicable, to the fire code, therapy, multi-level, replacement facilities, facility hardship, geographic, small size, new school, and joint use grants. The general site additional grant will also be calculated for the purposes of a preliminary apportionment for charter school applications.

Can I request this grant for all of my future new construction projects that meet the criteria stated above?

The additional grant for general site development will sunset no later than January 1, 2008. This sunset provision allows the OPSC to complete its analysis on the adequacy of the new construction grants and the impact of ASSEMBLY BILL 127 (please refer to articles on the adequacy of the new construction grants in Issues No. 2 and 3 of the 2006 *Advisory Actions*).

Modernization Grant for Accessibility and Fire Code Requirements

The SAB approved amendments to the SFP REGULATIONS revising the excessive cost hardship grant for accessibility and fire/life safety requirements at the AUGUST 23, 2006 SAB MEETING. The SAB approved the regulations on an emergency basis. Districts have the option of choosing the existing three percent base grant augmentation or the actual minimum accessibility and fire code work necessary as determined by the DIVISION OF STATE ARCHITECT (DSA).

When can I request the grant under the new proposal?

The regulations were approved by the OAL on April 25, 2007, therefore, the new option for the accessibility and fire code grant can be requested on any funding application submitted to the OPSC after that date.

What do I have to do in order to request the grant?

In order to request the grant, the ARCHITECT OF RECORD must prepare a detailed listing, including costs, of all of the accessibility and fire/life safety work included in the contract documents regardless of the grant option chosen. The OPSC and the DSA have created a checklist template for the school districts/architects use. The checklist is available on the DSA and OPSC Web sites. The detailed listing must be submitted to the DSA with the plans and specifications of the project. The DSA will review the listing and verify the reported work included in the project that is the minimum work necessary to receive approval from the ACCESS COMPLIANCE UNIT (ACU) and FIRE LIFE SAFETY (FLS) UNIT of the DSA. Both units at the DSA will sign the listing. This listing must then be submitted with your complete SFP modernization grant request to the OPSC. The APPLICATION FOR FUNDING (FORM SAB 50-04) has been modified to incorporate either grant option. The OPSC will review the listing and ensure that the reported costs of the minimum work deemed necessary by the DSA are reasonable.

What if my modernization plans are currently being reviewed by the DSA, can I still request the grant?

DSA will accept the checklist described above for their review even if the contract documents were already submitted to the DSA. The district may subsequently request the grant and submit a request for modernization funding.

What if my modernization grant application has been submitted to the OPSC, can I still request the grant?

A district may request the grant only if the project application is first withdrawn, resubmitted to the DSA with the list described above, and then resubmitted to the OPSC once the list is approved by the DSA.

How is the proposed accessibility and fire code grant determined?

At the time of the conversion from the LEASE-PURCHASE-PROGRAM (LPP) to the SFP, it was the intent that a portion of the modernization base grant cover access compliance and fire code work. Therefore, when determining the amount of the excessive cost hardship grant for this purpose, seven percent of the modernization base grant will be considered available funds for access compliance and fire code requirements. The calculation of the grant will be the difference of the actual hard costs required and verified by the DSA and the OPSC subtracted by seven percent of the sum of the State and district share of the project's modernization base grant, not to exceed the cap as described below.

TITLE 24 requires that if the construction cost of a modernization project exceeds 50 percent of its replacement cost, the building must be brought into compliance with the current building code; therefore, the maximum a school district can receive for access compliance is the difference between the new construction base grant (which represents approximately 50 percent of the replacement cost) and the sum of the State and district share of the modernization project's base grant.

The chart below illustrates how the excessive cost hardship grant cap is calculated based on one pupil grant, and how the seven percent is applied.

Calculation of Maximum Grant (Cap)—Based on One Elementary Pupil

	State and District Share of New Construction Base Grant at 50 Percent:	\$7,082
<i>subtract</i>	State and District Share of Modernization Base Grant:	–\$5,098
<i>equals</i>	Maximum Grant Allowable for Accessibility Requirements:	\$1,984

Examples of Calculation of the Excessive Cost Hardship Grant:

	If the Minimum Accessibility Work Verified by DSA is:	\$2,000	\$2,500	\$ 350
<i>subtract</i>	7 Percent of State and District Share of Modernization Base Grant:	–\$ 357	–\$ 357	–\$ 357
<i>equals</i>	Difference:	\$1,643	\$2,143	–\$ 7
	Excessive Cost at 100 Percent:	\$1,643	\$1,984 (cap)	\$ 0

What if I'm not modernizing my buildings, but rather choosing to replace them in like-kind as allowed pursuant to Regulation Section 1859.79.2(a)(1)?

A modernization project that consists of replacement in like-kind will be eligible for an excessive cost hardship grant equal to three percent of the modernization base grant only.

Proposition 1D

ASSEMBLY BILL 127 (CHAPTER 35, STATUTES OF 2006) was signed by Governor Schwarzenegger on May 20, 2006, establishing the KINDERGARTEN-UNIVERSITY PUBLIC EDUCATION FACILITIES BOND ACT OF 2006 (PROPOSITION 1D). PROPOSITION 1D was approved by the voters in the November general election providing \$10.416 billion in bonds for educational facilities, of which \$7.329 billion is earmarked for kindergarten through twelfth grade projects. PROPOSITION 1D includes additional funding for existing school facility programs, and new funding for: seismic mitigation of the most vulnerable school facilities; creation of career technical education facilities; reduction of severely overcrowded sites; and incentives for the construction of high performance “green” schools. Below is a chart of the funding provided in PROPOSITION 1D.

All of the grant and program provisions in PROPOSITION 1D have been presented and discussed at length at one or more meetings of the SAB

IMPLEMENTATION COMMITTEE (COMMITTEE). The following table depicts the major provisions included in PROPOSITION 1D that resulted in new or revised regulations, the date the SAB approved the regulations, and the date the regulations are anticipated to be approved by the OAL.

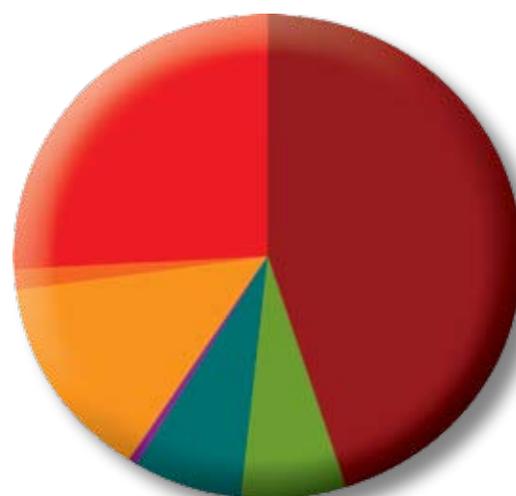
PROVISION	DATE OF SAB APPROVAL OF THE IMPLEMENTING REGULATIONS	ANTICIPATED DATE OF APPROVAL BY THE OAL
High Performance Incentive Grants	September 27, 2006	May 2007
Small High School Program	September 27, 2006	May 2007
Charter School Facilities Program	September 27, 2006	May 2007
Career Technical Education Facilities Program*	January 24, 2007	June 2007
Overcrowding Relief Grant	February 28, 2007	Summer 2007
Seismic Mitigation	Anticipated to be Summer 2007	Fall 2007

*Statute provides the regulations to be submitted on an emergency basis.

If you would like detailed information on the development of a particular provision, the COMMITTEE ISSUE PAPERS, SAB REPORTS, and draft regulations (as applicable) can be located on the OPSC Web site at WWW.OPSC.DGS.CA.GOV.

Proposition 1D Funding—K–12 Education Facilities Only

LEGEND	PROGRAM	FUNDING PROPOSAL
■	New Construction*	\$ 1,900,000,000 †
■	Modernization*	3,300,000,000
■	Charter Schools	500,000,000
■	Career Technical Education	500,000,000
■	Joint Use Projects	29,000,000
■	Overcrowding Relief	1,000,000,000
■	High Performance Schools	100,000,000
	TOTAL	\$ 7,329,000,000



*No more than \$200,000,000 of the sum of the appropriations for new construction and modernization shall be used to fund the smaller learning communities and small high schools.

† Up to 10.5 percent shall be available for purposes of seismic repair, reconstruction, or replacement, pursuant to Education Code Section 17075.10.

Proposition 1D Workshops

The OPSC and CALIFORNIA DEPARTMENT OF EDUCATION (CDE) conducted workshops designed to inform attendees of the funding provided in PROPOSITION 1D, to explain the new CAREER TECHNICAL EDUCATION FACILITIES (CTEFP) and OVERCROWDING RELIEF GRANT (ORG) PROGRAMS adopted by the SAB, and to answer questions.

The dates of the workshops have passed, however the PowerPoint presentations are available on the OPSC Web site at www.opsc.dgs.ca.gov/news/prop1d_workshops.htm.

School Facility Program

Additional funding has been made available for the NEW CONSTRUCTION, MODERNIZATION, and JOINT-USE PROGRAMS, however no changes were made to the programs. See the funding breakdown of PROPOSITION 1D in the previous chart for the amount of the additional funds made available.

Increase to the New Construction Per-Unhoused-Pupil Grant

PROPOSITION 1D added EDUCATION CODE SECTION 17072.11 requiring the “per-unhoused-pupil grant eligibility” as determined under subdivision (a) of SECTION 17072.10 to be increased by seven percent for elementary and middle school pupils, and four percent for high school pupils, effective July 1, 2006. In addition, beginning January 1, 2008, the Statute gives the SAB the authority to annually increase the per pupil base grant amount by up to six percent, or reduce the per pupil base grant, by an amount determined based on an analysis of the current costs to build a school.

What are the resulting new construction grant amounts?

New Construction Grant

GRADE LEVEL	ELEMENTARY	MIDDLE	HIGH
1998 Per Pupil Base Grant in Law	\$ 5,200	\$ 5,500	\$ 7,200
Adjusted 1998 Per Pupil Base Grant with Percentage Increase	\$ 5,564	\$ 5,885	\$ 7,488
New 2006 Per Pupil Base Grant	\$7,579	\$8,015	\$10,198
New 2007 Per Pupil Base Grant*	\$8,081	\$8,546	\$10,873

*Based on the Construction Cost Index Adjustment

When will the grant increases be applied to your project apportionments?

The SFP REGULATIONS did not need to be revised to incorporate this grant increase, therefore, the passage of PROPOSITION 1D enabled the SAB to increase the apportionments for those projects that received

a new apportionment by the Board beginning with the JULY 26, 2006 SAB MEETING. The increases were made by the SAB at its January 2007 meeting. Any new construction funding application apportioned by the SAB beginning with the JANUARY 2007 SAB MEETING will be calculated using the 2007 adjusted per-pupil base grant.

How will the SAB determine what the annually increase or decrease to the per-pupil base grant amount should be?

The method that will be used to determine the adjustment to the base grant is still in development. However, to capture the most current costs to construct schools, the regulations were revised and approved by the SAB at its September 2006 meeting to require school districts to submit data to the OPSC with the FUND RELEASE AUTHORIZATION (FORM SAB 50-05) and the EXPENDITURE REPORT (FORM SAB 50-06) to conduct this analysis. The OPSC is developing a worksheet to collect this data. The OPSC will present the worksheet to the Board at a future SAB meeting. The information requested on the worksheet will provide the data necessary for the OPSC to analyze current construction costs. Further, the OPSC will likely recommend that the Board take into account the current CCI adjustment when determining the percentage increase/decrease of the new construction base grant as the CCI measures the change in costs of labor and materials which will also be captured in Staff’s independent analysis. Concerns were expressed with this approach, therefore, even though the OPSC will take into consideration the change in the CCI for that year when making its recommendation, the regulations provide the SAB with the option of increasing the grant up to the six percent maximum as provided for in the law.

Charter Schools Facilities Program

PROPOSITION 1D modifies some major provisions of the CHARTER SCHOOLS FACILITIES PROGRAM (CSFP) and provides an additional \$500 million for the construction of new, or the rehabilitation of existing, schools for charter school purposes.

What are the major modifications to the CSFP?

New Construction Eligibility Requirements

PROPOSITION 1D changes the new construction eligibility requirements for the CSFP. A school district does not have to demonstrate new construction eligibility in order for a charter school project to be submitted or apportioned.

Certification Requirements

PROPOSITION 1D requires that a district must certify to the number of district unhoused students that will be housed in a new charter school project. The district’s new construction eligibility will be adjusted according to the number, certified to by the district, of the district’s unhoused students that will attend the charter school. The district will be required to determine the number of district unhoused pupils that

will be served by the proposed project that must be taken as an action item to a regularly scheduled board meeting. A resolution, signed by a board member, and supporting documentation will be required to be submitted within 90 days of the district having been notified by the charter of its intention to apply for new construction funding.

Rehabilitation Component

PROPOSITION 1D provides funding to rehabilitate buildings that are at least 15 years old. For purposes of the CSFP, the definition of “Charter Schools Facilities Program Rehabilitation” is substantially identical to the definition of work in a modernization project. Rehabilitation work may include, but will not be limited to, structural changes or other types of work on an existing district facility that extends the useful life of or enhances the physical environment of the school. A district may apply for funding on behalf of a charter school or a charter may apply independently as long as there is an agreement with the district in place at the time the preliminary apportionment application is submitted.

Rehabilitation funding will be based on the square footage dollar amounts currently used in the JOINT-USE and FACILITY HARDSHIP REHABILITATION PROGRAMS, up to the amount that would be otherwise be provided for a new construction project. The State will provide 50 percent of the funding and charter schools will provide a matching share. To comply with the new law, the preference point system used to score applications will be adjusted to give preference to rehabilitation projects, as they use existing facilities.

The facilities to be rehabilitated will be considered modernized. Therefore, appropriate adjustments to the modernization eligibility will be required. If a district has not established eligibility for a school site, the district will be requested to do so and the building to be rehabilitated will be considered modernized. For school sites that had established eligibility, but had not received modernization funds, the eligibility would be adjusted to exclude rehabilitated buildings. For school sites that had established eligibility and used a portion of it, the rehabilitation grant would be offset by the previous amount of modernization funding that had been received. School sites that had exhausted their established eligibility would not be eligible for CSFP rehabilitation funding.

Both permanent and portable buildings will be eligible, but if a MINIMUM ESSENTIAL FACILITY (MEF) such as a multi-purpose room or a gym is reconfigured into classrooms, the MEF will have to be replaced with no additional funding. Lastly, any work done in a rehabilitation project that had previously been placed on the district’s five-year Deferred Maintenance Plan will have to be removed from it.

Filing Period

The filing period was postponed to commence 90 days after the passage of the bond act. The application filing period began on February 5, 2007 and ends on June 5, 2007. All requests for CSFP funding must be submitted to the OPSC by June 5, 2007.

Preference Points

The preference point system was reviewed and each category in which points can be obtained was modified and capped at 40 points. The determination of the preference points was also revised to incorporate the statute which requires that consideration be given for the use of existing facilities. The number of overcrowding points that can be garnered, however, is limited based on a percentage of the number of unhoused pupils that will be certified by the district as being housed by the project.

Charter School Agreements

Projects in all rounds of funding will require the execution of three agreements prior to the release of funds, including design funds. These agreements include: a MEMORANDUM OF UNDERSTANDING between the State, school district and charter, which outlines the roles and responsibilities of all parties involved in the CSFP project; a FUNDING AGREEMENT, which sets forth the repayment terms of the local matching share amount; and the USE AGREEMENT, which is created and entered into by the school district and charter school. The first two charter school agreements must be executed by the State. The USE AGREEMENT is reviewed by the CALIFORNIA SCHOOL FINANCE AUTHORITY (CSFA). The required signatories for each agreement are indicated in the following chart:

DOCUMENT	SIGNATORY		
	STATE	SCHOOL DISTRICT	CHARTER SCHOOL
Memorandum of Understanding	×	×	×
Funding Agreement	×		×
Use Agreement		×	×

For purposes of these agreements, the State is both the SAB and the CSFA. A general template for the MEMORANDUM OF UNDERSTANDING and FUNDING AGREEMENT was drafted by the CSFA in consultation with the OPSC. These agreements were approved by the SAB and are available for execution.

Removal of Funding/Acreage Caps

PROPOSITION 1D removes all project funding caps, limits on the number of pupil grants, and caps on the amount of site acreage that can be acquired and paid for with State funds. The CDE will provide estimated recommended acreage prior to a charter submitting a preliminary apportionment application. The new law also allows for an inflation factor and other additional grants afforded to typical SFP funding applications.

Additional Issues

Project savings may not be used toward the charter school’s matching share. Also, the law specifies that school districts and charters must consider existing facilities pursuant to PROPOSITION 39. Therefore, a certification that the consideration took place has been added to

the application for a preliminary apportionment. A new tiebreaker methodology for applications received on the same day, which have the same number of preference points, was also introduced. The first tiebreaker is to provide the preliminary apportionment to an applicant that had not been previously funded under the SFP, CSFP or the CHARTER SCHOOL FACILITIES GRANTS INCENTIVES PROGRAM. Other remaining tiebreaker categories to fund applications that will be used are: preference to the applicant that is using existing facilities, then those that relieved overcrowding, and finally to a lottery system.

Where can you find out more about the funding provided under the CSFP? The SCHOOL FACILITY PROGRAM HANDBOOK, available on the OPSC Web site, contains an overview of the requirements and funding provided under the CSFP.

Small High School Program

ASSEMBLY BILL 1465, CHAPTER 894, STATUTES OF 2004 (CHAN) created a pilot program within the SFP that provided districts access to \$20 million for the purpose of constructing new small high schools and \$5 million for the reconfiguration of existing high schools into two or more smaller high schools that would foster academic achievement and success in a small high school environment. The SMALL HIGH SCHOOL PROGRAM commenced on January 1, 2006 and remains in effect until January 1, 2008.

PROPOSITION 1D does not make any changes to the existing pilot program and does not establish a new program although it provides that up to \$200 million from the new construction and modernization allocations can be used for these purposes. The \$200 million will remain in one fund for both new construction and modernization (reconfiguration) to afford more flexibility in the allocation of the bond funds. However, the requirements on the design and configuration of the types of small high schools that could be built were relaxed to promote more participation in the program.

What are the modifications to the Small High School Program?

Eligible Small High School Projects

Current SFP REGULATION SECTION 1859.93.2(C), NEW CONSTRUCTION ADJUSTED GRANT FOR THE SMALL HIGH SCHOOL PROGRAM, requires that: “The Small High School must be constructed on a stand alone site with no existing facilities.” While the intent of this program was to create self-contained small high schools, many districts have cited that the inclusion of core facilities renders the feasibility of such construction as cost prohibitive. In an effort to generate more interest and greater participation in the program, the OPSC therefore recommended, and the Board approved, regulations modifying the existing pilot program as follows:

- Districts will still be required to build stand alone small high schools on new sites; however, if the small high school is located adjacent to an existing high school which includes core facilities, students from the small high school will be allowed to use those core facilities.
- A district may use a portion of an existing large high school site to build a small high school if the CDE determines that the creation of the small high school does not create a school with an inappropriate number of pupils in relation to the size at either site. The small high school must have a separate COUNTY-DISTRICT-SCHOOL (CDS) code and administration but the small high school may share facilities with the existing high school.
- Shared core facilities may include, but not be limited to, multipurpose rooms, gymnasiums, and libraries. The schools will not be allowed to share administration and toilet area.

Funding for the Reconfiguration of Existing Large High Schools into Small High Schools

The proposed regulations also modify the limit of \$500,000 for the purposes of reconfiguration of a large high school into two or more small high schools. Since a high school of 1,000 or more pupils must be reconfigured into two or more smaller high schools, it was determined that is not equitable that a high school that is reconfiguring into five small high schools receive the same amount of reconfiguration funds as a high school reconfigured into two small high schools. Therefore, the revised regulations provide that each new small high school created may be eligible to receive up to \$500,000 for the purpose of reconfiguration.

When must I file an application?

Complete applications are due to the OPSC no later than September 30, 2007.

High Performance Incentive Grant

PROPOSITION 1D provides additional new construction and modernization HIGH PERFORMANCE INCENTIVE GRANTS in the amount of \$100 million for the use 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.

What method will be used to determine if a district's project qualifies for a high performance incentive grant?

The high performance incentive grant will be determined by the HIGH PERFORMANCE RATING CRITERIA (HPRC) point system of the COLLABORATIVE FOR HIGH PERFORMANCE SCHOOLS (CHPS) which was recommended by the California Schools Workgroup of the Governor's Green

Action Team to encourage schools built with State funds be resource and energy efficient. A district can achieve points for a project by meeting and exceeding the HPRC criteria in the following six categories:

- Sustainable Sites
- Water
- Energy
- Materials
- Indoor Environmental Quality
- District Resolutions

In each of these categories, there are one or more subcategories, referred to as “classes”, which contain prerequisites and optional credits. Points are assigned to each credit. There are 85 total points possible to be obtained and districts may choose which points to pursue. The points are tallied on a CHPS criteria scorecard. For more detailed information on the HPRC and how the points are calculated, please visit the Web site at WWW.GREEN.CA.GOV/INFOSCHOOLS.HTM.

What are the requirements to qualify for a high performance incentive grant?

The number of points received for a project will dictate if a district qualifies for a high performance incentive grant. A district’s new school project must meet all prerequisites of the HPRC. In addition, if the project has been accepted by the DSA prior to August 24, 2007, the project must receive a minimum of 28 points, up to 81 points, in compliance with the 2002 CRITERIA EDITION of CHPS. A district, however, may volunteer to utilize the 2006 CRITERIA EDITION of CHPS. If the project has been accepted by DSA on or after August 24, 2007, the project must receive a minimum of 32 points, up to 85 points. New construction addition projects and modernization projects must meet the prerequisites in the categories that are within the scope of the project. In addition, at least 25 points must be earned. The points will be reviewed and approved the DSA.

How much funding can my district receive for a project?

Since the HIGH PERFORMANCE INCENTIVE GRANT is an incentive-based grant, the SAB approved covering the entire upfront costs of design and materials of a high performance school to be shared equally between the State and the district. The intent is that upfront costs will be fully covered and the district will not have to wait for the life cycle (savings resulting from the inclusion of these high performance attributes) to cover the additional expenses incurred. This is also anticipated to result in greater district participation in the use of designs and materials that include the attributes of high performance schools.

The DSA will review the proposed project, and if they concur with the points specified in the HPRC, for those new school projects accepted by DSA prior to August 24, 2007, the high performance incentive grant will be determined by multiplying the NEW CONSTRUCTION GRANT by:

- Two percent at 28 points plus 0.06 percent for each point attained from 29 through 33 points; or
- 2.35 percent at 34 points plus 0.24 percent for each point attained from 35 through 40 points; or

- Four percent at 41 points plus 0.36 percent for each point attained from 42 through 54 points; or
- 9.05 percent at 55 points plus 0.060 percent for each point attained from 56 through 81 points.

For those new school projects accepted by DSA on or after August 24, 2007, the high performance incentive grant will be determined by multiplying the NEW CONSTRUCTION GRANT by:

- Two percent at 32 points plus 0.17 percent for the point attained at 33 points; or
- 2.35 percent at 34 points plus 0.24 percent for each point attained from 35 through 40 points; or
- Four percent at 41 points plus 0.36 percent for each point attained from 42 through 54 points; or
- 9.05 percent at 55 points plus 0.060 percent for each point attained from 56 through 85 points.

For new construction addition projects and modernization projects, the DSA will review the proposed project, and if they concur with the points specified in the HPRC, the HIGH PERFORMANCE INCENTIVE GRANT will be determined by multiplying the respective NEW CONSTRUCTION OR MODERNIZATION GRANT by:

- Two percent at 25 points plus 0.035 percent for each point attained from 26 through 33 points; or
- 2.35 percent at 34 points plus 0.24 percent for each point attained from 35 through 40 points; or
- Four percent at 41 points plus 0.36 percent for each point attained from 42 through 54 points; or
- 9.05 percent at 55 points plus 0.060 percent for each point attained from 56 through 81 points.

What is the DSA process to request the grant?

School districts must request a plan review of the high performance measures through the DSA regional offices when they submit their projects for the regular plan review process. The DSA will then work with the district’s architect to secure the required documentation to verify the HPRC which will determine the rating (score) of the project. After the project has a rating, the DSA will complete a rating form and transmit it to the OPSC. The OPSC will use this rating form to determine the district’s incentive grant.

What do I have to do in order to request the grant?

Districts must simply submit the request for the grant on the APPLICATION FOR FUNDING (FORM SAB 50-04) and ensure that the points have been approved by the DSA for verification by the OPSC.

What if there are insufficient funds for my project to receive a high performance grant?

If there are no funds remaining in the HIGH PERFORMANCE SCHOOL ACCOUNT or the funds remaining are insufficient to fully fund the additional grant request, the district will be given the option of with-

drawing its application and resubmitting it should additional funds be made available, or continuing with the project and accepting a full and final apportionment without the additional grant.

Where can I get more information?

Please contact the DSA and your OPSC project manager. In addition, the SCHOOL FACILITY PROGRAM HANDBOOK will be updated in the near future.

Career Technical Education Facilities Program

PROPOSITION 1D provides \$500 million for the purpose of constructing new facilities or reconfiguring existing facilities for career technical education purposes. This will enhance the educational opportunities for pupils in order to provide them with the skills and knowledge necessary for the high-demand technical careers of today and tomorrow.

What is Career Technical Education?

CAREER TECHNICAL EDUCATION (CTE) provides a program of study that involves a multiyear sequence of courses that integrates core academic knowledge with technical and occupational knowledge to provide students with a pathway to postsecondary education and careers. The CTE currently recognizes 15 industry sectors; each sector contains several pathways.

Who can apply?

A local educational agency may apply for CAREER TECHNICAL EDUCATION FACILITIES PROGRAM (CTEFP) funding on a new construction or modernization project, if they operate a high school meeting the definition of a comprehensive high school pursuant to the EDUCATION CODES 51224, 51225.3, and 51228.

A JOINT POWERS AUTHORITY (JPA) in existence as of May 20, 2006 may apply for CTEFP funding on a modernization project, providing the JPA is expressly for CTE and meets the other requirements identified in law. The JPA may include one or more local educational agencies.

What if my district does not have Modernization or New Construction eligibility?

No problem! An applicant is not required to demonstrate new construction or modernization eligibility to participate in the CTEFP.

How much is the grant?

The CTEFP grant is based on the estimated or actual cost to construct and equip the CTE facility. The grant for a new construction project shall not exceed a State share of \$3 million per project. The grant for a modernization project shall not exceed a State share of \$1.5 million per project. The applicant is required to identify the cost and square

footage of the CTE facility being constructed, modernized, reconfigured and/or equipped. An applicant may have more than one project per school site.

How much must I contribute?

CTEFP is a 50/50 program for new construction and modernization. A local contribution equal to the State contribution is required on any CTEFP project. This matching share may come from the applicant, applicant's partners, or other sources.

In the event local funds are not immediately available for the project, the applicant may apply for a loan from the State. Qualification to receive a loan will require a financial review of the applicant's available monetary contribution.

My district has Financial Hardship status, does this mean we can't participate?

Financial Hardship status does not apply to CTEFP funding. The local contribution cannot be waived. A Financial Hardship school district may request CTEFP funding, but the district or their partners will have to supply the CTEFP matching contribution, or the district may qualify for a loan. Funds earmarked for CTEFP will not be considered as available for purposes of contributions applied to other financial hardship projects.

Can I buy equipment?

Yes. CTEFP funds may be used to purchase funds with an average useful life expectancy of at least ten years. It is possible that a CTEFP project may be composed entirely of equipment.

How do I apply?

An applicant will first submit an application to the CDE detailing the applicant's CTE plan. Once the CTE plan has been reviewed and received a passing score by CDE, the applicant may submit an APPLICATION FOR CAREER TECHNICAL EDUCATION FACILITIES PROGRAM (FORM SAB 50-10) to the OPSC. If the applicant has approval of the construction plans by CDE and DSA (if applicable and/or required), these may accompany the application. Otherwise, the applicant must submit the approvals within 12 months of apportionment.

When should I apply?

For the first funding cycle, complete applications must be received at the OPSC by October 31, 2007. To allow adequate review time, the CTE plan must be submitted to the CDE no later than August 3, 2007. For the second funding cycle, complete applications must be received at the OPSC by April 30, 2008. The CTE plan must be submitted to the CDE no later than February 1, 2008. Future funding cycles may be added depending on the availability of funds.

Where can I get more information?

Please contact your CDE representative and OPSC project manager for more information or questions. In addition, the SCHOOL FACILITY PROGRAM HANDBOOK will be updated in the near future.

Overcrowding Relief Grant

PROPOSITION 1D establishes the OVERCROWDING RELIEF GRANT (ORG) and provides up to \$1 billion for this purpose. The ORG is intended to provide funding for the creation of additional open space via the reduction of portable classrooms on overcrowded sites by replacing them with permanent classrooms at the existing site or the construction of new schools or classrooms at other sites.

How do I determine if I have a site that qualifies for the grant?

A school site is considered eligible for the ORG if the pupil population density is equal to or greater than 175 percent of the CDE recommended site density based on 2005–2006 enrollment. The statute requires that the calculation to determine the density be reduced to take into account multistory construction and new construction projects apportioned by the SAB, including CRITICALLY OVERCROWDED SCHOOL PROGRAM projects. In order to determine if a school site is eligible, the CDE has created a form, the OVERCROWDING RELIEF GRANT ELIGIBILITY DETERMINATION. Districts will need to complete and submit this form to the CDE for each school site in order to have a site deemed eligible for the ORG. The form will also determine the maximum ORG site specific pupil eligibility (described below).

So if I have a site that is considered overcrowded, how many pupils housed at that site (based on 2005–2006 CBEDS enrollment) are eligible to be taken out of portables and placed in permanent classrooms?

Each eligible school site will be limited to the number of pupil grants that a district can request. The number of grants apportioned for each school site cannot exceed the lesser of the following:

- 1) the number of pupils whose removal from the density calculation would reduce the density of the site to 150 percent of the CDE recommended population density; or
- 2) the number of portables being replaced in the project. Districts must build a number of permanent classrooms equivalent to the number of portable classrooms it will be replacing; or
- 3) the number of pupils housed in portable classrooms, except for portables used for purposes of the Class Size Reduction Program.

The maximum number of pupils for each eligible school will be determined on the CDE OVERCROWDING RELIEF GRANT ELIGIBILITY DETERMINATION FORM.

In addition to a site-specific eligibility, each district will be limited to a districtwide (or high school attendance area/super high school attendance area, as applicable, depending on the district's new construction eligibility baseline filing basis) eligibility bank which serves as a cap for

all the ORG projects in the district. The districtwide eligibility will be determined by the number of portables that were included in the initial new construction baseline determination (as identified in part on LINE 1 of PART III of the FORM SAB 50-02) multiplied by the applicable State loading standard, i.e., K–6: 25; 7–12: 27; non-severe: 13; and severe: 9.

The OPSC has created a new form, the OVERCROWDING RELIEF GRANT DISTRICT-WIDE ELIGIBILITY DETERMINATION (FORM SAB 50-11) to be used to determine the district's maximum ORG district-wide eligibility. The eligibility determination will be a one-time determination and will only be adjusted (reduced) as pupil grants are requested.

What if my district does not have New Construction eligibility?

Since the district is not adding new classroom capacity to the district, it is not required to demonstrate new construction eligibility to participate in the ORG.

How much is the grant?

The funding will be provided utilizing the SFP new construction per pupil grant amount in effect at the time the application is funded by the SAB, and applicable additional and excessive cost hardship grants. Grants for site acquisition may also be requested to construct permanent classrooms at new school sites or additions to existing sites.

What purposes can I use the ORG funds?

ORG funds may be used for those purposes pursuant to EDUCATION CODE SECTION 17072.35 with the exception of the construction, acquisition or transportation of portable classrooms.

What do I have to submit to request ORG funding?

- 1) Submit the FORM SAB 50-11 to the OPSC.
- 2) Submit the OVERCROWDING RELIEF GRANT ELIGIBILITY DETERMINATION to the CDE for each school site.
- 3) Obtain all necessary approvals of the plans and specifications for each project, and for any additional acreage acquired.
- 4) Submit the FORM SAB 50-04 to the OPSC with all supporting documentation (see the General Information section on the FORM SAB 50-04 for more information) for each project.

Can I use the portables as classrooms at other school sites?

Districts will be required to remove the replaced portable(s) from the eligible school site and from K–12 classroom use within six months of the date of occupancy of the replaced permanent classrooms. The portables may be utilized at non-eligible sites for non-K–12 classroom use, such as storage, pre-school, or adult education.

How will the funds made available for the ORG be distributed for apportionment by the SAB and when must I apply?

There will be a minimum of three funding cycles with the \$1 billion allocated as follows:

- 1) For the first funding cycle, up to a maximum of \$500 million for all approved applications that are received by January 31, 2008.
 - 2) For the second funding cycle, up to a maximum of \$300 million for all approved applications that are received by July 31, 2008, plus any remaining funds not apportioned during the previous funding cycle.
 - 3) Approved applications that are received by January 30, 2009 shall be apportioned any remaining funds not allocated at the previous funding cycles, plus an additional \$200 million. Should funds remain following the third funding cycle, those funds shall be pooled for a subsequent funding cycle.
- Which of the Category 2 structural systems are the most vulnerable and pose an unacceptable risk.
 - The minimum level of horizontal acceleration response of buildings with short periods of vibration (i.e., a 10 percent chance of being exceeded in 50 years) that must be exceeded at the location of the building in order for the building to qualify for funding.
 - A methodology for evaluating the actual strength of the building relative to the possible lateral loads it must resist (demand/capacity ratio). Then establish the value that must be exceeded in order for the building to qualify for funding.
 - The best methodology for analyzing the demand/capacity ratio of the building.

How will it be decided which applications will be funded?

Applications will be funded based on highest density in each of the three funding cycles. Any district that does not receive an ORG due to low school density and insufficient funds may request that its application remain with the OPSC for consideration in the following semi-annual funding cycle.

Where can I get more information?

Please contact your CDE representative and OPSC project manager for more detailed information. In addition, the SCHOOL FACILITY PROGRAM HANDBOOK will be updated in the near future.

Seismic Mitigation

PROPOSITION 1D provides up to \$199.5 million for seismic mitigation of the most vulnerable school facilities that are a Category 2 building that pose an unacceptable risk of injury to its occupants in the event of a seismic occurrence. Discussion on this provision is continuing at the Committee meetings, therefore the information that follows is subject to change. We will notify districts once the criteria are solidified.

How do I determine if one of my school buildings qualifies for this funding?

Considerable discussion is taking place on the methodology for determining “the most vulnerable school facilities that are a Category 2 building that pose an unacceptable risk”. The DSA is recommending that the methodology: 1) be the state of art for ranking the vulnerability of the building, 2) establish acceptable analysis procedures for structural engineers to use in evaluating building vulnerability, 3) establish definitive thresholds that must be exceeded to qualify as the “most vulnerable” buildings, and 4) not require substantial time or a high level of expertise for reviewing and approving submitted reports.

In order to develop comprehensive criteria for the most vulnerable Category 2 buildings, the DSA surveyed experts in seismic evaluation of buildings. Discussions have focused on determining:

If my building is determined to be “the most vulnerable school facilities that are a Category 2 building that pose an unacceptable risk”, how much can I expect to receive as a grant?

Funds for the purpose of seismic mitigation work or facility replacement will be allocated on a 50 percent State share basis.

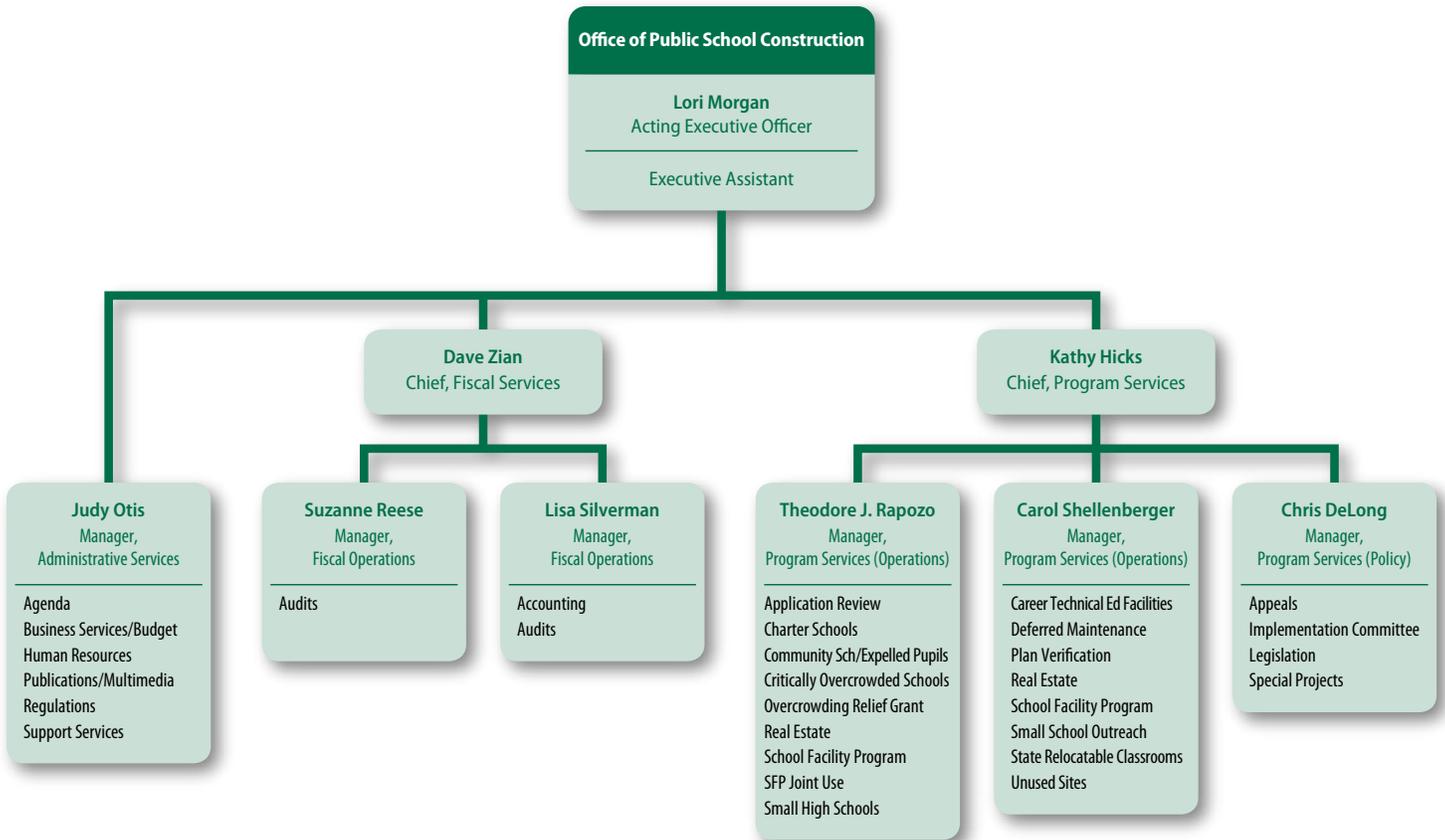
If the seismic mitigation costs are greater than 50 percent of the replacement cost of the facility, the district may replace the facility. If the entire school must be replaced, the district will be eligible to receive a NEW CONSTRUCTION GRANT for the lesser of the pupils housed in the replaced facility based on the State loading standards or the latest CALIFORNIA BASIC ENROLLMENT DATA SYSTEM (CBEDS) enrollment at the site.

If only certain buildings qualify for replacement, the district will be eligible for funding as a new construction project. Replacement facilities will receive funding in accordance with the square footage amounts provided in SFP REGULATION 1859.82.

If the seismic mitigation costs are less than 50 percent of the replacement cost of the facility, the district will be eligible to receive 50 percent of the funds necessary to fix the facilities.

Office of Public School Construction Accessibility

The OPSC MANAGEMENT TEAM, along with your OPSC PROJECT MANAGER, is available and accessible to all school districts and county offices of education. Below you will find the relevant contact information for the OPSC MANAGEMENT TEAM and the various programs that they are responsible for administering:



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School Facility Programs

Application Filing Timelines

(Effective Spring 2007)

PROGRAM ¹ /TYPE OF APPLICATION	APPLICATION ACCEPTANCE DATE	APPLICATION DUE DATE
New Construction		
Design ²	Ongoing	Prior to occupancy of any of the classrooms
Separate Site ²	Ongoing	Prior to occupancy of any of the classrooms
Construction (Full Adjusted Grant)	Ongoing	Prior to occupancy of any of the classrooms
Modernization		
Design ²	Ongoing	None ³
Construction (Full Adjusted Grant)	Ongoing	None ³
Charter School Facility		
Notification to District of Intent to File	—	At least 30 days prior to submittal of application funding request ⁴
Application Funding Request	February 5, 2007	June 5, 2007
Joint Use	June 1st of each year	May 31st of each year
Small High School	After receipt of Academic Reform Strategy score from the CDE	September 30, 2007
High Performance Schools Incentive	May 2007 ⁵	Until funds have been exhausted
Career Technical Education Facilities		
First Round:		
CDE Career Technical Education Plan	June 2007 ⁵	August 3, 2007
OPSC Funding Application Request	June 2007 ⁵	October 31, 2007
Second Round:		
CDE Career Technical Education Plan	August 4, 2007	February 1, 2008
OPSC Funding Application Request	November 1, 2007	April 31, 2008
Third Round:⁶		
CDE Career Technical Education Plan	February 2, 2008	To be determined
OPSC Funding Application Request	May 1, 2008	To be determined
Overcrowding Relief		
First Round	July 2007 ⁵	January 31, 2008
Second Round	February 1, 2008	July 31, 2008
Third Round	August 1, 2008	January 30, 2009
Seismic Mitigation	Fall 2007 ⁵	Until funds have been exhausted

¹ See OPSC Web site and SFP Regulations for application submittal requirements.

² Application may only be submitted if the district qualifies for financial hardship assistance.

³ Applications accepted for reimbursement for any contracts signed after August 27, 1998.

⁴ Applies only to charter schools that apply on their own behalf.

⁵ Applications may be submitted after approval of the regulations which is anticipated during the timeframe noted. Please check the OPSC Web site for updates.

⁶ If funding is available.