

REPORT OF THE EXECUTIVE OFFICER  
State Allocation Board Meeting, February 23, 2011

Labor Compliance Program Proposed Regulations

PURPOSE OF REPORT

To present proposed amendments to the School Facility Program (SFP) regulations for the labor compliance program (LCP) requirements because of the suspension of the Department of Industrial Relations' (DIR) LCP compliance monitoring services.

DESCRIPTION

From August 1 to November 4, 2010, the DIR provided labor compliance monitoring services for all State bond-funded public works projects. The regulations establishing that service were repealed on November 4, 2010. As a result, school districts using the DIR monitoring program for projects funded from the University Public Education Facilities Bond Act of 2002 (Proposition 47) or the Kindergarten-University Public Education Facilities Bond Act of 2004 (Propositions 55) were required to either hire a third party LCP administrator or seek approval from the DIR to initiate and enforce the LCP internally. The Office of Public School Construction (OPSC) proposes to amend the SFP Regulations to allow school districts to have an LCP for affected projects in place by November 1, 2011. This would allow school districts sufficient time to comply with the LCP laws without a negative impact to the school district's funding.

AUTHORITY

LC Section 1720 states:

(a) As used in this chapter, "public works" means: (1) Construction, alteration, demolition, installation, or repair work done under contract and paid for in whole or in part out of public funds, except work done directly by any public utility company pursuant to order of the Public Utilities Commission or other public authority. For purposes of this paragraph, "construction" includes work performed during the design and preconstruction phases of construction including, but not limited to, inspection and land surveying work.

LC Section 1771.3 (a)(2) states "The Director of Industrial Relations, with the approval of the Director of Finance, shall determine and assess a fee on any awarding body using funds derived from any bond issued by the state to fund public works projects, in an amount not to exceed one-fourth of 1 percent of the bond proceeds."

LC Section 1771.5 outlines the requirements of a labor compliance program for projects subject to LC Section 1771.7.

LC Section 1771.55 outlines the requirements of a labor compliance program for projects subject to LC Section 1771.75.

LC Section 1771.7(a) states, "An awarding body that chooses to use funds derived from either the Kindergarten-University Public Education Facilities Bond Act of 2002 or the Kindergarten-University Public Education Facilities Bond Act of 2004 for a public works project, shall initiate and enforce, or contract with a third party to initiate and enforce, a labor compliance program, as described in subdivision (b) of Section 1771.5, with respect to that public works project."

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AUTHORITY (cont.)

LC Section 1771.7(d)(2)(C) states, "If the State Allocation Board conducts a postaward audit procedure with respect to an award of the funds described in subdivision (a) to an awarding body that is a school district, the State Allocation Board shall verify, in the manner determined by that board, that the school district has complied with the requirements of this subdivision.

LC Section 1771.7(f) states, "This section shall not apply to a contract awarded on or after the latter of the effective date of regulations adopted by the Department of Industrial Relations pursuant to paragraph (2) of subdivision (b) of Section 1771.55 or the effective date of the fees adopted by the department pursuant to Section 1771.75."

LC Section 1771.75(a) states:

An awarding body that chooses to use funds derived from either the Kindergarten-University Public Education Facilities Bond Act of 2002 or the Kindergarten-University Public Education Facilities Bond Act of 2004 for a public works project, shall pay a fee to the Department of Industrial Relations, in an amount that the department shall establish, and as it may from time to time amend, in an amount not to exceed one-fourth of 1 percent of the bond proceeds, sufficient to support the department's costs in ensuring compliance with and enforcing prevailing wage requirements on the project, and labor compliance enforcement as set forth in subdivision (b) of Section 1771.55. All fees collected pursuant to this subdivision shall be deposited in the State Public Works Enforcement Fund created by Section 1771.3, and shall be used only for enforcement of prevailing wage requirements on those projects. The department may waive the fee set forth in this section for an awarding body that has previously been granted approval by the director to initiate and operate a labor compliance program on the awarding body's projects, and requests to continue to operate that labor compliance program on its projects in lieu of labor compliance by the department pursuant to subdivision (b) of Section 1771.55. This fee shall not be waived for an awarding body that contracts with a third party to initiate and enforce labor compliance programs on the awarding body's projects."

LC Section 1771.75(f) states, "This section shall only apply to a contract awarded on or after both the effective date of the department's adoption of the fee set forth in subdivision (a) and of regulations pursuant to paragraph (2) of subdivision (b) of Section 1771.55."

BACKGROUND

Chapter 868, Statutes of 2002 (Assembly Bill 1506 - Wesson) required an LCP for school construction projects funded from either Proposition 47 or Proposition 55. This law took effect upon voter approval of Propositions 47 and 55. School districts subject to these requirements must either contract with a DIR approved third party to perform the LCP or seek approval from the DIR to initiate and enforce the LCP internally. The purpose of the LCP was to ensure appropriate compliance with certain labor laws for school construction projects, such as the appropriate prevailing wage payments for construction work.

Chapter 7, Statutes of 2009 (Senate Bill X2 9 - Padilla) amended the Labor Code (LC) to, among other things, require an LCP for school construction projects that receive State bond funds. Unlike Assembly Bill (AB) 1506 that only applied to projects funded from Propositions 47 and 55, these new requirements apply to any State bond funded public works project, including Kindergarten-University Public Education Facilities Bond Act of 2006 (Proposition 1D). Senate Bill (SB) X2 9 specifies the LCP must be either directly administered by the DIR or the school district, if approved by the DIR. Contracting with a third party administrator did not demonstrate compliance with the new requirements.

BACKGROUND (cont.)

From August 1 to November 4, 2010, the Department of Industrial Relations (DIR) provided monitoring services for labor compliance for all bond-funded public works projects. School districts that did not have an approved in-house LCP began using the DIR services instead of a third party administrator.

On October 21, 2010, the DIR began notifying participating school districts of the impending repeal of regulations and that the DIR would no longer be providing LCP services. According to the DIR, projects funded from Propositions 47 and 55 must either continue using their DIR approved in-house LCP or contract with a third party administrator, pursuant to LC Section 1771.7. Under LC Section 1771.7, created by AB 1506, an LCP is not required for projects funded from Proposition 1D. The Office of Administrative Law (OAL) accepted the DIR's request to repeal the SBX2 9 regulations effective November 4, 2010.

STAFF ANALYSIS/STATEMENTS

At the January and February 2011 Implementation Committee meetings, the OPSC presented proposed amendments to the *Fund Release Authorization* (Form SAB 50-05) and SFP Regulations. The proposed regulations would allow school districts affected by the repeal of DIR's regulations time to change their LCP monitoring program to comply with statute.

Affected projects are those with contracts awarded between August 1, 2010 and November 4, 2010 and funded by either Proposition 47, 55 or 1D. However, the proposed regulatory amendments will only impact projects funded from Propositions 47 and 55 because those projects funded from Proposition 1D are not required to have an LCP, pursuant to LC Section 1771.7. According to the DIR, for projects funded from Propositions 47 and 55, there are two options for complying: 1) Use a DIR approved in-house program; or 2) Hire a DIR approved third party.

The OPSC currently verifies that school districts have an LCP for the project at the time of fund release and during an audit. The OPSC proposes amendments to the Form SAB 50-05, SFP Regulation Section 1859.90 and 1859.106 to provide sufficient time (until November 1, 2011) for affected school districts (awarded construction contracts between August 1 and November 4, 2010) to comply with LC Section 1771.7.

The DIR regulations to implement their LCP monitoring services were repealed on an emergency basis, which may not have provided sufficient time for school districts to comply with LC Section 1771.7, as directed by the DIR. In order to protect the Proposition 47 and 55 projects that need to hire a third party LCP reviewer, the OPSC is proposing that school districts have until November 1, 2011 to bring the affected projects into compliance.

Although the proposed regulations would provide additional time to comply, school districts must obtain a DIR approved third party LCP reviewer as soon as possible. School districts are required to follow all applicable labor laws at all times, such as prevailing wage payments; only the monitoring component of those laws were impacted by the DIR regulation repeal. This accommodation is provided in order to allow school districts sufficient time to obtain school board approval, if necessary, and obtain bids for a third party contractor. It is possible that some districts will need additional time to amend existing construction contracts in order to fully enforce an LCP. The affected school districts will continue to be required to provide proof of an LCP for all Form SAB 50-05s submitted prior to the effective date of the proposed regulations. The November 1, 2011 deadline also permits the proposed regulation changes to go the rulemaking approval process so that a regulation is not retroactive.

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STAFF ANALYSIS/STATEMENTS (cont.)

School districts funded from Proposition 47 or 55, which did not receive the additional LCP grant will be presented at a future SAB for an amendment.

Consensus was reached at the February 2011 Implementation Committee meeting for the changes proposed in this item; however, concern was raised that school districts that awarded contracts after the DIR regulation repeal on November 4, 2010 may need additional time to obtain an LCP. The concern was that some school districts may have awarded contracts without knowledge of the DIR regulation repeal and may need additional time to amend the contracts to comply with the LCP requirements. The Implementation Committee did not reach a consensus on this issue. The OPSC is not aware that any school districts are in this situation.

PROPOSED AMMENDMENTS

The OPSC is proposing to include documentation in both SFP Regulations and on the Form SAB 50-05 because, due to the timing of the form's approval, it is possible that the proposed Form SAB 50-05 will not be available for all school districts to use when requesting State funds.

Some districts with affected projects will have received funds prior to the Form SAB 50-05. Therefore, amending both the Form SAB 50-05 and the SFP Regulations, as proposed, will help ensure that those districts will be given the additional time to comply with the LCP requirements and avoid potential confusion in the future, such as during a post award audit.

Additionally, school districts would provide the contract award date(s) on the proposed Form SAB 50-05, which would allow the OPSC to determine if the award date falls between August 1, 2010 and November 4, 2010.

SFP REGULATIONS SECTION 1859.90

Attachment A includes the proposed amendment to SFP Regulation Section 1859.90. This regulations section outlines the fund release process. To protect all affected school districts, the OPSC proposes to amend SFP Regulation Section 1859.90 to specify the impacted school districts and the date (November 1, 2011) in which they must be able to demonstrate compliance with the labor laws.

SFP REGULATIONS SECTION 1859.106

Attachment A includes the proposed amendment to SFP Regulation Section 1859.106. This regulations section outlines project's expenditure audit. To protect all affected school districts, the OPSC proposes to amend SFP Regulation Section 1859.90 to specify the impacted school districts and the date (November 1, 2011) in which they must be able to demonstrate compliance with the labor laws.

The text in the proposed amendment is identical to the proposed text for SFP Regulation Section 1859.90.

REGULATORY CHANGES (FORM SAB 50-05)

Attachment B includes proposed amendments to the Form SAB 50-05. The school district may submit this form when the project is at least fifty percent under contract and the school district is ready to request the State funded portion of the project funding. At this stage of the project, the OPSC already requests proof of an LCP.

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STAFF ANALYSIS/STATEMENTS (cont.)

The proposed amendments include:

- A correction of the references on the first page under number one in General Information
- An additional paragraph under item number three of General Information similar to the proposed amendment to Regulations Sections 1859.90 and 1859.106.
- Instructions for the additional information that is required from school districts in Parts V and VII of the Specific Instructions on page one.
- A field for school districts to fill in the contract award and signature date(s) in box two of Parts V and VII (necessary for determining the affected projects) on pages two and three.
- Addition of lines for school district representatives to print their name and job title, email address and telephone number under the signature line on page three to expedite correspondence.

Staff made additional changes to the SAB Form 50-05, since it was presented at the February Implementation Committee meeting to the Joint-Use information required in Part VII. These changes were necessary to ensure that all potentially impacted projects are identified in the proposed regulations.

RECOMMENDATION

1. Approve the emergency regulations as show on Attachments A and B.
2. Authorize the Acting Executive Officer to file the regulations on an emergency basis with the OAL.

BOARD ACTION

In considering this Item, the State Allocation Board approved the staff's recommendations, including the modification of the date in Attachments A and B; the date of November 1, 2011 changes to May 1, 2011.

## ATTACHMENT A

### Article 10. Fund Release and Priority Points

#### Section 1859.90. Fund Release Process.

With the exception of an apportionment made pursuant to Sections 1859.81.1(e) or 1859.81.2, or of an Inactive Apportionment subject to Section 1859.96, the OPSC will release State funds that the Board has apportioned to the district after submittal, by the district, of the Form SAB 50-05, subject to the availability of financing provided by the Pooled Money Investment Board for bond-funded projects. With the exception of an apportionment made for a Type II Joint-Use Project, not part of a qualifying SFP Modernization project, pursuant to Article 12 of these Regulations, a district must submit the Form SAB 50-05, within 18 months of the Apportionment of the SFP grant for the project or the entire New Construction Adjusted Grant, Modernization Adjusted Grant or Type I or II, part of a qualifying SFP Modernization project, Joint-Use Project apportionment shall be rescinded without further Board action, and the pupils housed in the project, if applicable, will be added back to the district's baseline eligibility. The district may refile a new application for the project subject to district eligibility and priority funding at the time of resubmittal.

....

Subject to the availability of financing provided by the Pooled Money Investment Board for bond-funded projects, the OPSC will release State funds that have been apportioned by the Board pursuant to Section 1859.81.1(e) to the district within 30 calendar days of the apportionment.

For all contracts associated with the project (as defined in LC Section 1720) awarded between August 1, 2010 and November 4, 2010, school districts must have either a Department of Industrial Relations approved third party Labor Compliance Program or a Department of Industrial Relations approved in-house Labor Compliance Program, if required pursuant to Labor Code (LC) Section 1771.7, no later than ~~November 1, 2011~~ May 1, 2011.

Note: Authority cited: Section 17070.35, Education Code.

Reference: Sections 17072.12, 17072.30, 17074.15, 17076.10, 17077.40, 17077.42 and 17077.45, Education Code.

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### Article 11. Miscellaneous School Facility Program Requirements

#### Section 1859.106. Program Accountability Expenditure Audit.

The projects will be audited to assure that the expenditures incurred by the district were made in accordance with the provisions of Education Code Section 17072.35 for new construction projects, Section 1859.120 for Joint-Use Projects, Section 1859.140 for Critically Overcrowded School projects, Section 1859.160 for Charter School projects, and Education Code Section 17074.25 and Section 1859.79.2 for modernization projects. The audit will also assure that the district complied with all site acquisition guidelines as provided in Education Code Sections 17072.13 and 17072.14 and Sections 1859.74, 1859.74.1, 1859.74.2, 1859.74.3, 1859.74.4, 1859.75 and 1859.75.1.

....

Should the OPSC conduct an audit of the district certifications or the expenditures for the project and make a finding that some or all of the expenditures were not made in accordance with the provisions of Education Code Section 17072.35 for new construction projects, Section 1859.120 for Joint-Use Projects, Section 1859.140 for Critically Overcrowded School projects, Section 1859.160 for Charter School projects, Education Code Section 17074.25 and Section 1859.79.2 for modernization projects, and Education Code Sections 17072.13 and 17072.14 for projects with additional costs imposed by the DTSC, the OPSC shall recommend to the Board that the apportionment be adjusted based on the audit findings.

For all contracts associated with the project (as defined in LC Section 1720) awarded between August 1, 2010 and November 4, 2010, school districts must have either a Department of Industrial Relations approved third party Labor Compliance Program or a Department of Industrial Relations approved in-house Labor Compliance Program, if required pursuant to Labor Code (LC) Section 1771.7, no later than ~~November 1, 2011~~ May 1, 2011.

....

Note: Authority cited: Section 17070.35, Education Code.

Reference: Sections 17070.35, 17070.50, 17071.75, 17072.13, 17072.14, 17072.18, 17072.35, 17074.25, 17076.10, 17077.40, 17078.52 and 17251, Education Code.

**GENERAL INFORMATION****(Refer to Title 2, California Code of Regulations, Sections 1859.90 and 1859.91)**

After a School Facility Program (SFP) grant has been funded by the Board, the Office of Public School Construction (OPSC) will release the apportioned funds with the exception of design funds, to the appropriate county treasury once the district has completed and submitted this form to the OPSC. Design funds will automatically be released to the district within 30 days of the apportionment, with the exception of Preliminary Apportionments.

The following documents must be submitted with this form (as appropriate):

1. Signature page of the contract(s) that meets the requirement for a fund release (Part ~~IV~~ and/or ~~VII~~).
2. First Notice(s) to Proceed.
3. For projects that require a Labor Compliance Program (LCP):
  - All school district and/or third party provider Department of Industrial Relations (DIR) approval letters (initial, extension(s) and/or final).
  - Third party contract(s).

For all contracts associated with the project (as defined in LC Section 1720) awarded between August 1, 2010 and November 4, 2010, school districts must have either a DIR approved third party LCP or a DIR approved in-house LCP, if required pursuant to Labor Code (LC) Section 1771.7, no later than November 1, 2011.

4. For new construction projects that complete Part ~~IV~~ attach:
  - Accepted bid documents including additive/deductive alternates.

For the purposes of completing this form to obtain a fund release for a Final Charter School Apportionment, a charter school shall be treated as a school district.

For the purposes of completing this form to obtain a fund release for a Final Career Technical Education Facilities Apportionment, a joint powers authority shall be treated as a school district.

**SPECIFIC INSTRUCTIONS****Part I. Preliminary Apportionment—Design Only**

Check the boxes if the district has current financial hardship status pursuant to Section 1859.81 and is requesting release of Preliminary Apportionment funds for design, engineering, and other preconstruction project costs. Attach to this form the California Department of Education (CDE) Letter pursuant to Section 1859.149(a)(2).

**Part II. Preliminary Charter School Apportionment**

Check the boxes if the charter school is requesting a release of a Preliminary Charter School Apportionment for design and/or separate site apportionment pursuant to Section 1859.164.2. Attach to this form the Charter School Agreements.

**Part III. Separate Site Apportionment**

Check the box, for release of a separate site apportionment provided pursuant to Sections 1859.75.1 or 1859.81.1 or for release of Preliminary Apportionment site only acquisition pursuant to 1859.153(b) or (c).

**Part IV. Overcrowding Relief Grant - Advance Site Funds**

Check the boxes if the district is requesting an advance release of funds pursuant to Section 1859.184.1.

**Part V. New Construction/Modernization/Charter School Rehabilitation**

Check the box(es) for release of new construction, modernization or rehabilitation funds and enter the following:

- a. Date of written approval by the Division of the State Architect (DSA).
- b. Enter the percent of the construction the district has under binding contract(s).
- c. Issue date of the first Notice to Proceed for the construction phase of the project; **and;**
- d. Award date(s) of the contract(s) entered into by the district for this project.
- e. Signature date(s) of the **initial** construction contract(s) entered into by the district for this project.

For Final Charter School Apportionment attach to this form the Charter School Agreements if not previously submitted or if since revised.

**Part VI. New Construction—Site Acquisition Only**

Check the boxes if the district is requesting a separate release of site acquisition funds as part of a new construction project.

**Part VII. Joint-Use Projects**

Check the boxes if the district is requesting release of joint-use project funds: and enter the following:

- a. Date of written approval by the Division of the State Architect (DSA).
- b. Enter the percent of the construction the district has under binding contract(s).
- c. Issue date of the first Notice to Proceed for the construction phase of the project.
- d. Award date(s) of the contract(s) entered into by the district for this project.
- e. Signature date(s) of the construction contract(s) entered into by the district for this project.

**Part VIII. Identify District and Joint-Use Partners' Funding Sources**

Check the appropriate box(es) that identify the district funding sources that have or will be used for the district's share of the project.

**Part IX. Career Technical Education Facilities Projects**

Check the appropriate box(es) in Part VIII if the district is requesting a release of Career Technical Education Facilities funds.

**Part X. Identify District's Construction Delivery Method**

Check the appropriate box that identifies the construction delivery method that the district utilized for this project.

SCHOOL DISTRICT	APPLICATION NUMBER
SCHOOL NAME	FIVE-DIGIT DISTRICT CODE NUMBER (SEE CALIFORNIA PUBLIC SCHOOL DIRECTORY)
COUNTY	HIGH SCHOOL ATTENDANCE AREA (HSAA) (IF APPLICABLE)

**Part I. Preliminary Apportionment—Design Only**

- The district certifies it has complied with Section 1859.149(a).
- The district certifies that its applicable matching share has either:
  - been deposited in the County School Facility Fund
  - has already been expended by the district for the project
  - will be expended by the district prior to the Notice of Completion for the project
- The district certifies that it currently has Financial Hardship status under the provisions of Section 1859.81.

**Part II. Preliminary Charter School Apportionment**

**A. Design Only**

Pursuant to Section 1859.164.2(a), must be able to check all boxes:

- The Charter School certifies that its applicable matching share has either:
  - been deposited in the County School Facility Fund
  - has already been expended by the Charter School for the project
  - will be expended by the Charter School prior to the Notice of Completion for the project
- The Charter School certifies it has current financial soundness status from the California School Finance Authority.
- The Charter School certifies it has entered into the Charter School Agreements pursuant to Section 1859.164.2.

**B. Separate Site Apportionment**

Pursuant to Section 1859.164.2(b), must be able to check all boxes:

- Release site acquisition funds. The Charter School certifies the funds are needed to place on deposit in order to secure the site acquisition.
- The Charter School certifies that its applicable matching share has either:
  - been deposited in the County School Facility Fund
  - has already been expended by the Charter School for the project
  - will be expended by the Charter School prior to the Notice of Completion for the project
- The Charter School certifies it has current financial soundness status from the California School Finance Authority.
- The Charter School certifies it has entered into the Charter School Agreements pursuant to Section 1859.164.2.

**Part III. Separate Site Apportionment**

- RA on additions to existing school sites pursuant to Section 1859.74.4.

Pursuant to Sections 1859.75.1 or 1859.81.1, district must be able to check both boxes:

- Release site acquisition funds. The district certifies the funds are needed to place on deposit in order to secure the site acquisition.
- The district certifies that its applicable matching share has either:
  - been deposited in the County School Facility Fund
  - has already been expended by the district for the project
  - will be expended by the district prior to the Notice of Completion for the project

**Part IV. Overcrowding Relief Grant - Advance Site Funds**

Pursuant to Section 1859.184.1, districts that have received Financial Hardship approval that are acquiring sites through condemnation must be able to check all boxes:

- Release site acquisition funds. The district certifies the funds are needed to place on deposit in order to secure the site acquisition.
- The district certifies that its applicable matching share has either:
  - been deposited in the County School Facility Fund
  - has already been expended by the district for the project
  - will be expended by the district prior to the Notice of Completion for the project
- The district certifies that it will produce an order of prejudgement possession once obtained from the court, and prior to any additional fund releases for the project.

**Part V. New Construction/Modernization/Charter School Rehabilitation**

District/Charter School must be able to check all boxes and enter the required information:

- The district certifies that its applicable matching share has either:
  - been deposited in the County School Facility Fund
  - has already been expended by the district for the project
  - will be expended by the district prior to the Notice of Completion for the project
- The district certifies it has entered into a binding contract(s) for \_\_\_\_ percent of the construction (must be at least 50 percent of the construction included in the plans and specifications applicable to the state funded project), **which received written DSA approval on \_\_\_\_, and has issued the Notice to Proceed on \_\_\_\_ for that contract signed on \_\_\_\_:**

<u>DSA Approval Letter Date(s)</u>	
<u>First Notice to Proceed</u>	

<u>Contract Award Date(s)*</u>	<u>Contract Signed Date(s)*</u>
<u>1.</u>	
<u>2.</u>	
<u>3.</u>	

**\*Is an additional list of contract information attached?**  Yes  No

- If the district certified compliance with Education Code Section 17070.955 on its Application for Funding (Form SAB 50-04) and if it was not previously sent with the Form SAB 50-04, then the district must submit written confirmation from the district's career technical advisory committee indicating that the need for vocational and career technical facilities is being adequately met within the district consistent with Education Code Sections 51224, 51225.3(b), 51228(b), and 52336.1

The Charter School must also be able to check the following box:

- The Charter School certifies it has entered into the Charter School Agreements pursuant to Section 1859.164.2.

The amount of State funds released for new construction shall be 100 percent of the total SFP New Construction Adjusted Grant, less any site acquisition funds previously released in Part III.

The amount of State funds released for modernization shall be 100 percent of the SFP Modernization Adjusted Grant.

**Part VI. New Construction—Site Acquisition Only**

District must be able to check both boxes:

- The district certifies it has entered escrow for the site (attach copy of escrow instructions).
- The district certifies that its applicable matching share has either:
  - been deposited in the County School Facility Fund
  - has already been expended by the district for the project
  - will be expended by the district prior to the Notice of Completion for the project

The amount of State funds released shall be equal to the additional grant provided for site acquisition.

**Part VII. Joint-Use Projects**

District must be able to check all boxes and enter the required information:

- The district certifies that the Joint-Use Partners' financial contribution has either:
  - been received and deposited in the County School Facility Fund
  - has been received and expended by the district
  - will be received and expended by the district prior to the Notice of Completion for the project
- The district certifies it has entered into a binding contract(s) for \_\_\_\_ percent of the construction (must be at least 50 percent of the construction included in the plans and specifications applicable to the state funded project), ~~and has issued the Notice to Proceed on \_\_\_\_ for that contract signed on \_\_\_\_.~~

DSA Approval Letter Date(s)	
First Notice to Proceed	
Contract Award Date(s)*	Contract Signed Date(s)*
1.	
2.	
3.	

\*Is an additional list of contract information attached?  Yes  No

The amount of State funds released for new construction shall be 100 percent of the Joint-Use Grant.

I certify, as the District Representative, that the information reported on this form is true and correct and that:

- I am an authorized representative of the district as authorized by the governing board of the district; and
- The site where buildings will be modernized or rehabilitated must comply with Education Code Sections 17212, 17212.5, and 17213; and,
- The grant amount provided by the State, combined with local matching funds or the Joint-Use Partner's financial contribution, are sufficient to complete the school construction project, unless the request is for a separate site and/or design apportionment; and,
- The district has or will comply with the Public Contract Code regarding all laws governing the use of force account labor; and,
- This project for which the grant amount is provided complies with Education Code Sections 17070.50 and 17072.30; and,
- The district shall certify at the time of a fund release for the project that it complies with Section 1859.90.1.
- This form is an exact duplicate (verbatim) of the form provided by the Office of Public School Construction (OPSC). In the event a conflict should exist, then the language in the OPSC form will prevail; and,
- If required by Labor Code Section 1771.7, the district has initiated and will enforce a Labor Compliance Program that has been approved by the Department of Industrial Relations.

**Part VIII. Identify District and Joint-Use Partners' Funding Sources**

- Available bond funds such as general obligation, or Mello-Roos.
- Available developer fees, proceeds from the sale of surplus property, or federal grants.
- Other funds available (identify)
- Funds already expended by the district for the project.
- Funds already expended by the Joint-Use Partners for the project.
- Future revenue sources to be used for the project (identify)

**Part IX. Career Technical Education Facilities Projects**

- The district certifies that its applicable matching share has either:
  - been deposited in the County School Facility Fund
  - has already been expended by the district for the project
  - will be expended by the district prior to the Notice of Completion for the project
- If the district requested a loan for its matching share pursuant to Section 1859.194, the district certifies that it has entered into a loan agreement with the State.

**Part X. Identify District's Construction Delivery Method**

- Design-Bid-Build
- Design-Build
- Developer Built
- Lease Lease-Back
- Energy Performance Contract
- This project includes or will include piggyback contract(s), as defined in Section 1859.2
- Other: \_\_\_\_\_

SIGNATURE OF DISTRICT REPRESENTATIVE		DATE
NAME AND TITLE OF DISTRICT REPRESENTATIVE (PRINT OR TYPE)	E-MAIL ADDRESS	TELEPHONE