

STATE ALLOCATION BOARD

707 3rd Street
West Sacramento, CA 95605
<http://www.opsc.dgs.ca.gov>



Date: June 23, 2010

To: Interested Parties

Subject: **NOTICE OF THE STATE ALLOCATION BOARD
IMPLEMENTATION COMMITTEE MEETING**

Notice is hereby provided that the State Allocation Board Implementation Committee will hold a meeting on **Thursday, July 8, 2010** from 9:30 a.m. to 1:00 p.m. in the California State Capitol, Room 447, Sacramento, California 95814.

The Implementation Committee's proposed agenda is as follows:

- 1) Convene Meeting
- 2) Career Technical Education Expenditure Reporting
Continue discussion on proposed Career Technical Education Facilities Program worksheet.
- 3) Labor Compliance Program
Discuss regulatory changes to the Labor Compliance Program as a result of SBX2 9.

Any interested person may present public testimony or comments at this meeting regarding the issues scheduled for discussion. Any public input regarding unscheduled issues should be presented in writing, which may then be scheduled for a future meeting. For additional information, please contact Sue Genera at (916) 375-4751, or email sab-imp@dgs.ca.gov with questions or concerns.

A handwritten signature in black ink, appearing to read "Lisa Kaplan".

LISA KAPLAN, Chairperson
State Allocation Board Implementation Committee

Individuals who need auxiliary aids for effective participation are invited to make their requests and preferences known to Sue Genera at (916) 375-4751 five days prior to the meeting.

**STATE ALLOCATION BOARD
IMPLEMENTATION COMMITTEE
July 8, 2010 Meeting**

CAREER TECHNICAL EDUCATION FACILITIES PROGRAM FUNDING

PURPOSE

To finalize discussions for the return of excess Career Technical Education Facilities Program (CTEFP) funding to the State, including the proposed Funding Worksheet, and general reporting issues presented at previous Implementation Committee Meetings.

BACKGROUND

The return of excess CTEFP funding has been the topic of discussion at five Implementation Committee Meetings. CTEFP projects that received an apportionment prior to having the necessary approvals from the California Department of Education and/or the Division of the State Architect (DSA) are required to submit revised cost estimates based on the DSA approved plans within one year of the apportionment. Staff analysis had determined that a number of revised cost estimate amounts based on DSA approved plans were significantly lower than the original cost estimate amount. Staff proposed a reduction in the apportionment to be commensurate with the updated cost estimate and a method to remit savings earlier than at audit. Because a reduction in the final apportionment would only affect future CTEFP funding cycles and discussions at the Implementation Committee meetings were not conclusive in determining the appropriate level of reduction, staff has retracted the proposal.

Staff recommendations focused on the return of savings upon submittal of the school district's final *Expenditure Report* (Form SAB 50-06) at which time all expenditures would have been completed on the project. Any savings returned to the State could be used to fund additional CTEFP projects. Because the final *Expenditure Report* could potentially be submitted two years before the closeout audit stage of the project, this recommendation would be in line with staff's original intent to capture excess CTEFP funds prior to a project being audited. The Implementation Committee members were generally agreeable to this proposal but expressed a desire for an "invoice" to facilitate their accounting department in generating a warrant for the State.

At a subsequent meeting, staff proposed the "CTEFP Funding Worksheet"; however, discussions migrated from the earlier collection of excess funding and continue to focus on the "ownership" of interest earned on State funds.

STAFF COMMENTS

Staff discussion has determined that collection of potential interest may be immaterial and that ambiguity in statute is outside the control of the Implementation Committee. At a minimum, statute requires interest on all funds deposited in the county fund to be retained in the fund. Statute also requires that any expenditure from the fund be limited to high priority capital facility needs of the school district.

Staff proposes that school district's return the State's share of savings when the district submits the final *Expenditure Report*. If a school district does not return savings with the final *Expenditure Report*, the school district should be prepared to remit the State's share of savings at the conclusion of the closeout audit.

A school district will not be required to return interest at either stage; however, the school district must be able to provide supporting documentation during an audit that the interest was expended on high priority capital facility needs of the district.

Because interest will not be required to be returned to the State, the proposed Funding Worksheet is no longer needed as the *Expenditure Report* already captures the relevant information.

STAFF COMMENTS (cont.)

Determination of amount due to the State (all reported expenditures are eligible):

	100% <i>Expenditure Report</i>
State Share	\$ 1,500,000
District Share	1,500,000
Interest	10,000
Expenditures	2,600,000
Savings	\$ 400,000

$$(\$1,500,000 + \$1,500,000) - \$2,600,000 = \$400,000$$

$$\$400,000 \times 50\% = \$200,000 \text{ due to the State}$$

AUTHORITY

Education Code (EC) Section 17070.43(b) states, "Interest on all funds deposited in the county fund shall be retained in that fund."

EC Section 17070.43(c) requires funds be expended on qualifying school facilities expenditures set forth in Sections 17072.35 and 17074.25.

School Facility Program Regulation Section 1859.199 states, "An applicant district may not retain savings realized by a Career Technical Education Facilities Project."



July 8, 2010

Mr. John Doe
District Representative
XYZ Unified School District
91 CTE BLVD
City, State, Zip code

Dear Mr. Doe,

Congratulations! The District's Application Number 55/12345-00-001 for XYZ High School in the Agriculture and Natural Resources industry sector is considered complete as of July 8, 2010. The complete submittal of these documents makes the District eligible to request the release of funds under the Career Technical Education Facilities Program (CTEFP).

The District was apportioned \$500,000 by the State Allocation Board on December 10, 2008 based on the reservation cost estimate of \$1,000,000. However, the actual cost estimate for the project was \$800,000. Be advised that the District may not retain savings realized by a CTEFP project pursuant to School Facility Program (SFP) Regulation Section 1859.199. While the Office of Public School Construction OPSC anticipates a return of approximately \$100,000 in savings, the final determination of any amount to be returned to the State, if necessary, will not be made until an audit of the project has been completed following the submittal by the District of the Expenditure Report (Form SAB 50-06).

The District has 18 months from the date mentioned above to submit a *Fund Release Authorization* (Form SAB 50-05); otherwise the apportionment shall be rescinded without further Board action pursuant to ~~School Facility Program~~ SFP Regulation Section 1859.197(c)(3).

For additional information, please contact me at (916) 999-9999 or e-mail at projectmanager@dgs.ca.gov.

Sincerely,

NAME
Project Manager
Office of Public School Construction

cc: Accounting Section, OPSC
Project file

STATE ALLOCATION BOARD
IMPLEMENTATION COMMITTEE MEETING
July 8, 2010

LABOR COMPLIANCE PROGRAM

PURPOSE OF REPORT

To discuss the implementation of Senate Bill (SB) X2 9 that requires school districts to pay a fee to the Department of Industrial Relations (DIR) to be used to implement and enforce a labor compliance program (LCP) for any construction projects funded from State bond funds.

BACKGROUND

SB X2 9 was chaptered on February 20, 2009. The new law requires all awarding bodies, including school districts, that receive State bond funds for public works projects to pay a fee to the DIR to be used to initiate and enforce an LCP for those projects. The law also requires the State Allocation Board (SAB) to increase project grant amounts to accommodate the state's share of the increased costs due to the new fee. These provisions will go into effect on August 1, 2010 when the DIR regulations that specify that fee and implement the new law go into effect.

All fees collected shall be deposited in the State Public Works Enforcement Fund created by Labor Code (LC) Section 1771.3, and shall be used only for enforcement of prevailing wage requirements on those projects. The DIR may waive the fee for certain school districts that have previously been granted approval by the DIR to initiate and enforce an LCP on the awarding body's projects.

For school construction projects, the DIR fee will be an amount equal to one quarter of one percent of the State share of the project costs, less any funding associated with site acquisition costs. The DIR fee is due to the DIR from the school districts when the State bond funds are released to the school district.

What projects will be impacted by the new law?

All school construction projects that are funded in whole, or in part, by State bond funds, and where the construction contract is awarded after August 1, 2010, are subject to the new DIR fee and labor compliance enforcement, regardless of which bond funded the project. The DIR will use the school board date that the construction contract was approved as the contract award date.

What projects are not subject to the new LCP provisions?

Any school construction project that is funded from a State funding source other than bond funds (such as the Deferred Maintenance Program or Emergency Repair Program) are not subject to the DIR fee and labor compliance enforcement.

AUTHORITY

SB X2 9 (Padilla, Chapter 7, Statutes of 2009) makes changes to Education Code (EC) Section 17250.30, LC Sections 1771.3, 1771.5, and 1771.55 and adds LC Section 1771.75 that will require changes to the School Facility Program (SFP).

EC Section 17070.35 directs the SAB to establish procedures and policies necessary for the administration of the SFP.

DISCUSSION

In order to implement this law, SFP Regulation Sections 1859.71.4, 1859.78.1, 1859.79.2, 1859.82, 1859.83, 1859.125, 1859.125.1, 1859.163.1, 1859.163.5 and 1859.193 will be amended. These regulation sections are intended to calculate the DIR fee for school construction projects that will be charged by the DIR and will determine the State share funding amount.

What Office of Public School Construction (OPSC) forms will change?

In addition to the SFP regulations, the *Application for Funding* (Form SAB 50-04), the *Fund Release Authorization* (Form SAB 50-05), the *Application for Joint-Use Funding* (Form SAB 50-07), the *Application for Charter School Preliminary Apportionment* (Form SAB 50-09), and the *Application for Career Technical Education Facilities Funding* (Form SAB 50-10) will be amended.

When is the LCP fee due to the DIR?

School districts are required to notify the DIR of any projects that are subject to LC Code 1771.75 when the school board awards the contract, pursuant to the proposed DIR Regulation 16451. However, the DIR fee is not due to the DIR until the school district receives State bond funds.

How will the process work?

At the time of SFP project apportionment, the State grant will be increased to provide funding in an amount equal to the State's share of the fee.

A school district will receive an apportionment, award a construction contract after August 1, 2010, meet all requirements to receive funding, and submit the Form SAB 50-05. Once the State funds are transferred to the school district's account, the school district will be required to pay the LCP fee to the DIR. A reminder of the fee amount will be on the SFP Fund Release letter. A copy of the letter will be sent to the DIR.

The SFP Fund Release letter will be sent to the school district confirming that the Form SAB 50-05 has been processed by the OPSC and the fund release request has been sent to the State Controller's Office to transfer the funds to the County Treasurer for the school district. The school district will pay the fee to the DIR directly and, pursuant to LC Section 1775(d), the DIR will provide verification to the SAB that the fee has been paid. Failure to pay the fee to the DIR could impact the project at the time of audit.

How will the fee be calculated?

The DIR fee will be an amount equal to one quarter of one percent of the State share of the project costs, less funds provided for site acquisition. Since site acquisition costs are not part of the construction contract that is subject to the DIR fee, the proposed DIR Regulation Section 16452 specifies that the site acquisition costs associated with a school construction project are to be excluded from the fee calculation.

What LCP funds will be provided for projects apportioned at the August 4, 2010 SAB meeting?

The LCP grant cannot be provided to school districts for projects that are subject to the LCP fee until the SFP Regulations to provide the State's share of the fee are in effect. The State share of the fee will be provided for these projects once the SFP Regulations are in effect. This is possible because, pursuant to LC Code Section 1771.75, the LCP grant is exempt from EC Code Section 17070.63, which requires State apportionment to be full and final. For projects presented to the SAB prior to the SFP Regulations taking effect, the SAB funding item to be presented for the Board's approval will contain the following information:

“Please note that this item will maintain an Apportionment date of August 4, 2010 and will not be considered full and final until such time as the adjustment to the LCP grant has been made, pursuant to Labor Code Section 1771.75(e).”

ATTACHMENT A

The following summary details the needed changes to the SAB Forms to implement SBX2 9 regarding the DIR fee to implement the labor compliance program.

Application for Funding, SAB 50-04:

INSTRUCTIONS FOR PART 17 (Page 5)

17. Labor Compliance Program

Indicate whether the district is subject to a Labor Compliance Program that has been approved by the Department of Industrial Relations pursuant to Labor Code Section 1771.7 or is subject to a DIR fee to enforce a Labor Compliance Program pursuant to Labor Code Section 1771.75(a) by checking the appropriate box.

Enter the date the governing school board awarded the construction contract.

PAGE 7

17. Labor Compliance Program

a. Will you be required to initiate and enforce a Labor Compliance Program pursuant to Labor Code Section 1771.7 for this project? Yes No

b. Will you be required to a Department of Industrial Relations fee to enforce a Labor Compliance Program pursuant to Labor Code Section 1771.75(a) for this project?

(1) Contract Award Date: _____

CERTIFICATION (Page 9)

The district has or will initiated and enforced a Labor Compliance Program that has been approved by the Department of Industrial Relations, pursuant to Labor Code Section 1771.7, if the project is funded from Propositions 47 or 55 and the Notice to Proceed for the construction phase of the project is issued on or after April 1, 2003 and before August 1, 2010; and

The district will pay a the fee to the Department of Industrial Relations for Labor Compliance Program, pursuant to Labor Code Section 1771.75, if the construction contract is awarded after August 1, 2010 and the district has not obtained a waiver for the fee, pursuant to Education Code Section 17250.30; and,

Fund Release Authorization Form SAB 50-05

CERTIFICATIONS (PAGE 3)

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.

If required by Labor Code Section 1771.75(a), the district will pay the required Department of Industrial Relations fee to enforce a Labor Compliance Program, or the fee is waived by the Department of Industrial Relations, pursuant to Education Code Section 17250.30.

Application for Joint Use Funding SAB 50-07

CHANGES WILL BE IDENTICAL TO THE FORM 50-04 CHANGES

Application for Charter School Preliminary Apportionment SAB 50-09

CHANGES WILL BE IDENTICAL TO THE FORM 50-04 CHANGES

Application for Career Technical Education Facilities Funding, Form SAB 50-10:

INSTRUCTIONS FOR PART 13 (Page 1)

13. Labor Compliance Program

Indicate whether the district is subject to a DIR fee to enforce a Labor Compliance Program pursuant to Labor Code Section 1771.75(a) by checking the appropriate box. Enter the date the governing school board awarded the construction contract.

PAGE 2 OF FORM

13. Labor Compliance Program

Will you be required to a Department of Industrial Relations fee to enforce a Labor Compliance Program pursuant to Labor Code Section 1771.75(a) for this project?

Contract Award Date: _____

CERTIFICATION (Page 3)

The district will pay a the fee to the Department of Industrial Relations for Labor Compliance Program, pursuant to Labor Code Section 1771.75, if the construction contract is awarded after August 1, 2010 and the district has not obtained a waiver for the fee, pursuant to Education Code Section 17250.30; and,

ATTACHMENT B

Section 1859.71.4. New Construction **Pupil** Grant Increase for Labor Compliance Program.

(a) Any project awarded prior to August 1, 2010 that is funded in whole or in part by Proposition 47 or Proposition 55 that initiated or enforced a LCP, after determining all other funding authorized by these Regulations, the Board shall increase the per-unhoused pupil grant amount by 50 percent of the following calculation for any project for which the district **is was** required under Labor Code Section 1771.7(a) and (b) to initiate and enforce a LCP:

(1) Using the chart in (b) of this Section, determine the total amount of funding to be provided for the increased costs of a new construction project due to the initiation and enforcement of a LCP.

(2) Divide the amount determined in subsection (a)(1) by the total number of pupils, or by one if no pupils are assigned, in the approved application.

(b) The funding provided for a new construction project to initiate and enforce a LCP shall be calculated on the total project cost, exclusive of site acquisition costs, as follows:

\$16,000 For the first \$1 million or any part thereof, plus
1.6 percent Of the next \$1 million or any part thereof, plus
0.25 percent Of the next \$1 million or any part thereof, plus
0.15 percent Of the next \$1 million or any part thereof, plus
0.32 percent Of the next \$2 million or any part thereof, plus
0.31 percent Of the next \$2 million or any part thereof, plus
0.46 percent Of the next \$5 million or any part thereof, plus
0.44 percent Of the next \$5 million or any part thereof, plus
0.42 percent Of the next \$30 million or any part thereof, plus
0.4 percent Of any remaining portion

(c) Any project awarded on or after August 1, 2010, after determining all other funding authorized by these Regulations, the Board shall increase the state's share by one-fourth of one percent of the total project cost, less the district matching share required in Section 1859.77.1, and exclusive of site acquisition costs, for any project for which the school district is required under Labor Code Section 1771.75 to pay the Department of Industrial Relations fee to initiate and enforce a labor compliance program.

Note: Authority cited: Section 17070.35, Education Code.

Reference: Section 17072.10 and 17250.30, Education Code.

Section 1859.78.1. Modernization **Pupil** Grant Increase for Labor Compliance Program.

(a) Any project awarded prior to August 1, 2010 that is funded in whole or in part by Proposition 47 or Proposition 55 that initiated or enforced a LCP, after determining all other funding authorized by these Regulations, the Board shall increase the per-pupil grant amount by the following calculation, less the district matching share required in Section 1859.79, for any project for which the district **is was** required under Labor Code Section 1771.7(a) and (b) to initiate and enforce a LCP:

(1) Using the chart in Section 1859.71.4(b), determine the total amount of funding to be provided for the increased costs of a modernization project due to the initiation and enforcement of a LCP.

(2) Divide the amount determined in subsection (a)(1) by the total number of pupils, or by one if no pupils are assigned, in the approved application.

(b) Any project awarded on or after August 1 2010, after determining all other funding authorized by these Regulations, the Board shall increase the state's share by one-fourth of one percent of the total project cost, less the district matching share required in Section 1859.79, and exclusive of site acquisition costs, for any

project for which the school district is required under Labor Code Section 1771.75 to pay the Department of Industrial Relations fee to initiate and enforce a labor compliance program.

Note: Authority cited: Section 17070.35, Education Code.

Reference: Section 17074.10 and 17250.30, Education Code

Section 1859.79.2. Use of Modernization Grant Funds.

The Modernization Grant plus any other funds provided by these Regulations shall be expended as set forth in Education Code Sections 17074.25, 17074.10(f) and 17070.15(f) and may also be utilized for other purposes as set forth in Education Code Section 100420(c). Modernization funding may also be used for the costs incurred by the district directly or through a contract with a third party provider for the initiation and enforcement of a LCP. Modernization funding, with the exception of savings, is limited to expenditure on the specific site where the modernization grant eligibility was generated. The grant may not be used for the following:

- (a) New building area with the exception of the following:
 - (1) Replacement building area of like kind. Additional classrooms constructed within the replacement area will reduce the new construction baseline eligibility for the district.
 - (2) Building area required by the federal Americans with Disabilities Act (ADA) or by the Division of the State Architect's (DSA) handicapped access requirements.
- (b) New site development items with the exception of:
 - (1) Replacement, repair or additions to existing site development.
 - (2) Site development items required by the federal ADA Act or by the DSA's handicapped access requirements.
- (c) the evaluation and removal of hazardous or solid waste and/or hazardous substances when the Department of Toxic Substance Control has determined that the site contains dangerous levels of a hazardous substance, hazardous waste, or both that exceed ten percent of the combined adjusted grant and the district matching share for the project.
- (d) Leased facilities not owned by another district or a county superintendent.
- (e) Costs associated with Reconfiguration pursuant to Section 1859.78.9.

Modernization Grant funds may be used on any school facilities on the site, with the exception of portable classroom facilities eligible for an additional apportionment pursuant to Education Code Sections 17073.15 and 17074.10(f) and as defined in Section 1859.78.8. If the classroom facilities on the site include areas that are currently ineligible for modernization, it will not disqualify those facilities from future modernization funding.

Note: Authority cited: Section 17070.35, Education Code.

Reference: Sections 17070.15, 17074.25, 17074.32, 17250.30 and 100420(c), Education Code.

Section 1859.82. Facility Hardship.

A district is eligible for facility hardship funding to replace or construct new classrooms and related facilities if the district demonstrates there is an unmet need for pupil housing or the condition of the facilities, or the lack of facilities, is a threat to the health and safety of the pupils. A facility hardship is available for:

- (a) New classrooms and/or subsidiary facilities (corridors, toilets, kitchens and other non-classroom space) or replacement facilities if either (1) or (2) are met:
 - (1) The facilities are needed to ensure the health and safety of the pupils if the district can demonstrate to the satisfaction of the Board that the health and safety of the pupils is at risk. Factors to be considered by the Board shall include the close proximity to a major freeway, airport,

electrical facility, high power transmission lines, dam, pipeline, industrial facility, adverse air quality emission or other health and safety risks, including structural deficiencies required by the DSA to be repaired, seismic mitigation of the Most Vulnerable Category 2 Buildings as verified by the DSA, traffic safety or because the pupils reside in remote areas of the district and transportation to existing facilities is not possible or poses a health and safety risk. The total available funding for seismic mitigation related and ancillary costs for the Most Vulnerable Category 2 Buildings is \$199.5 million for projects where the construction contract was executed on or after May 20, 2006, and the project funding provided shall be for the minimum work necessary to obtain DSA approval.

(A) If the request is for replacement facilities, a cost/benefit analysis must be prepared by the district and submitted to the OPSC that indicates the total costs to remain in the classroom or related facility and mitigate the problem is at least 50 percent of the Current Replacement Cost of the classroom or related facility. The cost/benefit analysis may include applicable site development costs as outlined in Section 1859.76. If the cost to remain in the classroom or related facility is less than 50 percent of the Current Replacement Cost, the district may qualify for a Modernization Excessive Cost Hardship Grant for rehabilitation costs pursuant to Section 1859.83 (e) or a grant not to exceed 50 percent of the cost estimate that has been reviewed and approved by the OPSC and approved by the board for seismic rehabilitation.

(B) If the request is for replacement facilities that included structural and/or seismic deficiencies, the cost/benefit analysis must also include a report from a licensed design professional identifying the minimum work necessary to obtain DSA approval. The report must contain a detailed cost estimate of the repairs. The report and cost estimate shall be subject to review by the OPSC for conformance with the Saylor Current Construction Cost Publication and, at the OPSC's discretion, the DSA. For seismic deficiencies of the Most Vulnerable Category 2 Buildings, the report and the cost estimate for the minimum work necessary must be reviewed by the DSA.

(2) The classroom or related facility was lost or destroyed as a result of a disaster such as fire, flood or earthquake and the district has demonstrated satisfactorily to the Board that the classroom or related facility was uninsurable or the cost for insurance was prohibitive.

If the district qualifies for a new or replacement school pursuant to either (1) or (2) above, the district is eligible for a New Construction Grant as a new construction project for the lesser of the pupils housed in the replaced facility based on loading standards pursuant to Education Code Section 17071.25(a)(2) or the latest CBEDS enrollment at the site.

If the district qualifies for replacement facilities on the same site pursuant to either (1) or (2) above, the district is eligible for funding as a new construction project. Replacement facilities shall be allowed in accordance with the square footage amounts provided in the chart in Section (b) below. If the facility eligible for replacement is not shown in the chart in Section (b) below, the replacement facility shall be limited to the square footage replaced. The grant amount provided shall be \$173.30 per square foot for Toilet Facilities and \$96.30 per square foot for all other facilities. Additional funding may be provided for applicable site development costs pursuant to Section 1859.76, New Construction Excessive Cost Hardship Grant(s) pursuant to Section 1859.83(a), (b) or (d), therapy room pursuant to Section 1859.72, multilevel construction pursuant to Section 1859.73 and project assistance pursuant to Section 1859.73.1. The amounts shown will be adjusted in the manner prescribed in Section 1859.71. The district may be eligible for the funding provided to initiate and enforce a LCP or labor compliance program as prescribed in Section 1859.71.4.

Any grants provided pursuant to either (1) or (2) above will be reduced for any space deemed available by the Board in the district, the HSAA or Super HSAA that could be used to house some or all of the displaced pupils, fifty percent of any insurance proceeds collectable by the district for the displaced facilities and fifty percent of the net proceeds available from the disposition of any displaced facilities.

(b) A multi-purpose room, toilet, gymnasium, school administration or library/media center, facility that meets all the following:

- (1) The facility was lost or destroyed as a result of a disaster, including but not limited to fire, flood or earthquake.
- (2) The facility is no longer useable for school purposes as recommended by the California Department of Education and approved by the Board.
- (3) The district has demonstrated satisfactorily to the Board that the facility was uninsurable or the cost of insurance was prohibitive.

If the district qualifies, the district is eligible for funding as a new construction project. The funding amount provided shall be \$96.30 per square foot for library/media center, school administration, gymnasium and multi-purpose facilities, and/or \$173.30 per square foot for Toilet Facilities. A New Construction Additional Grant may be provided for applicable site development costs pursuant to Section 1859.76, New Construction Excessive Cost Hardship Grant(s) pursuant to Section 1859.83(a) and (d), therapy room pursuant to Section 1859.72, multilevel construction pursuant to Section 1859.73 and project assistance pursuant to Section 1859.73.1. The amounts shown will be adjusted in the manner prescribed in Section 1859.71. The district may be eligible for the funding provided to initiate and enforce a LCP or labor compliance program as prescribed in Section 1859.71.4.

Any grants provided pursuant to (b) above, shall be reduced by fifty percent of any insurance proceeds collectable by the district for the displaced facilities and fifty percent of the net proceeds available from the disposition of any displaced facilities

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

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

Any facilities eligible for facility hardship not shown in the above chart or for Alternative Education facilities not shown in the table in Section 1859.77.3(a)(5) shall be eligible for replacement square footage equal to the facilities replaced. For an Alternative Education school eligible for a facility hardship, utilize the square footage provided in Section 1859.77.3(a)(5), with the exception of toilet and administration where the chart above shall be utilized.

A district may request a determination of eligibility for facility hardship funding in advance of project funding. (c) A district seeking replaced facilities as a result of either (a) or (b) above must submit Form SAB 50-04 for the replaced facilities:

- (1) Within 18 months if the replacement facilities will be located on the same site.
- (2) Within 24 months if the replacement facilities will be located on a replacement site.

If an Approved Application for the replaced facility is not accepted within the time periods identified in (c)(1) or (c)(2) above, the Board shall re-review the criteria submitted by the district for replacement of the facility prior to apportionment of the replaced facility.

Note: Authority cited: Sections 17070.35 and 17075.15, Education Code.

Reference: Sections 17074.56, 17075.10, 17075.15, 17250.30 and 101012(a)(1), Education Code.

Section 1859.83. Excessive Cost Hardship Grant.

In addition to any other funding authorized by these Regulations, a district is eligible for funding as a result of unusual circumstances that created excessive project costs beyond the control of the district. The Excessive Cost Hardship Grant shall be based on any of the following:

(a) Excessive Cost due to Geographic Location.

A district with a project that is located in a geographic area designated in the Geographic Percentage Chart below is eligible for the sum of the Excessive Cost Hardship Grant(s) determined by multiplying the indicated percentage factor shown in the Geographic Percentage Chart below by each of the following amounts:

- (1) The New Construction Grant and the Modernization Grant.
- (2) The funding provided by Sections 1859.71.2, 1859.71.3, 1859.72, 1859.73, 1859.73.2, 1859.76(d)(1) and (2), 1859.78.4, 1859.78.5, 1859.82(a) and (b), 1859.83(b), (c), (d) and (f) and 1859.125(a)(1) through (a)(2).

GEOGRAPHIC PERCENTAGE CHART

COUNTY	% FACTOR	DESCRIPTION
Alpine	5	The entire county.
Amador, Eastern Part	5	All of Amador County except the portion lying west of a line drawn five miles east of, and paralleling State Highway 49.
Butte, Eastern Part	5	All of Butte County except that portion lying west of a line drawn ten miles east of, and paralleling State Highway 99.
Calaveras, Eastern Part	5	All of Calaveras County except that portion lying west of State Highway 49.
Del Norte	5	The entire county.
El Dorado, Eastern Part	15	That portion lying east of a north-south line drawn 25 miles west of the Nevada State Line and north to the county line and south to State Highway 88.
El Dorado	5	El Dorado County except the eastern part and the following areas: <ul style="list-style-type: none"> • West of a line drawn six miles east of and paralleling State Highway 49. • Within five miles of either side of U.S. highway 50 from the western county line to a point on the eastern limit of the community of Pollock Pines. • West of a line drawn three miles easterly from and paralleling a certain county road described as the Pleasant Valley Road which connects the community of Aukum with Diamond Springs and with the city of Plymouth.
Fresno, Eastern Part	5	All of Fresno County lying east of a line drawn ten miles east of, and paralleling the west boundary of the Sierra National Forest.

COUNTY	% FACTOR	DESCRIPTION
Glenn, Western Part	5	All of Glenn County except that portion lying east of a line drawn ten miles west of, and paralleling Interstate Highway 5.
Humboldt, Redwood Highway	5	That portion of Humboldt County situated within five miles of the Redwood Highway (U.S. 101) except for that portion situated within ten miles of the Redwood Highway from the northern boundary of the community of Trinidad to the southern boundary of the community of Rio Dell.
Humboldt, State Highway 299 and Vicinity	5	That portion of Humboldt County situated within five miles of State Highway 299 and State route 96, except for those portions situated within ten miles of the Redwood Highway (U.S. 101) from the northern boundary of the community of Trinidad to the southern boundary of the community of Rio Dell.
Humboldt, Southeastern Part	15	That portion of Humboldt county adjacent to or east of, the road between Harris to Blocksburg to a point ten miles north of Blocksburg.
Humboldt, Residual Area	10	All areas of Humboldt County not classified in other cost groups except for that portion situated within ten miles of the Redwood Highway from the northern boundary of the community of Trinidad to the southern boundary of the community of Rio Dell.
Imperial	5	The entire county.
Inyo, Southeastern Part	20	That portion of Inyo County situated east of the western boundary of the Death Valley National Monument from the northern boundary of said national monument to the southern boundary of the county.
Inyo, Residual Area	5	All of Inyo County except the southeastern part described above.
Kern, Eastern Part	5	That portion of Kern County lying east of a north-south line drawn through the eastern boundary of the town of Tehachapi.
Lake	5	The entire county.
Lassen, Southern Part	10	That portion of Lassen County lying south of an east-west line drawn through a point ten miles north of Susanville.
Lassen, Northern Part	15	All of Lassen County except the southern part described above.
Los Angeles, Santa Catalina Island only	*	The entire Santa Catalina Island.
Madera, Central Part	5	That portion of Madera County lying between a line drawn ten miles west of, and paralleling the western boundary of the Sierra National Forest and a line drawn ten miles east of and paralleling the western boundary of the Sierra National Forest.
Madera, Eastern Part	5	All of Madera County except the western part and the central part described above.
Mariposa, Eastern Part	5	All of Mariposa County except that portion lying west of: <ul style="list-style-type: none"> • A line drawn five miles east of, and paralleling State Highway 49 from the northern county line to Mormon's Bar; and • A line drawn ten miles west of, and paralleling the western boundary of the Sierra National Forest from a point due east of Mormon's Bar to the southern county line.
Mendocino, Fort Bragg Area	10	Those portions of Mendocino County lying west of the Southern Redwood Highway Area, and south of the Ten Mile River.
Mendocino, Northern Redwood Highway Area	5	That portion of Mendocino County situated within five airline miles of the Redwood Highway (U.S. 101) from a point ten miles north of the Willits City Hall to the northern boundary of the county.

COUNTY	% FACTOR	DESCRIPTION
Mendocino, Residual Area	10	Those portions of Mendocino County not otherwise classified except that portion situated within ten airline miles of the Redwood Highway (U.S. 101) from a point ten miles north of the Willits City Hall to the southern boundary of the county. (Comprises the Northeastern part of the county and the coastal strip in the northwestern part).
Modoc	15	The entire county.
Mono	20	The entire county.
Monterey, Southern Part	5	All Monterey County except that portion lying north of an east-west line beginning on the coast two miles south of the City of Carmel and extending due east to the eastern boundary of the county.
Nevada	5	That portion of Nevada County not included in the Eastern Part.
Nevada, Eastern Part	15	That portion lying east of a north-south line drawn 25 miles west of the Nevada State Line and north to the county line and south to the county line.
Placer, Eastern Part	15	That portion lying east of a north-south line drawn 25 miles west of the Nevada State Line and north to the county line and south to the county line.
Placer, Northeastern Part	5	All of Placer County except the Eastern Part and the following: <ul style="list-style-type: none"> • Within five miles of either side of State Highway 65 from the southern boundary of the county and the northern limit of the community of Lincoln. • Five miles either side of Interstate 80 from the southern boundary of the county and the northern limit of the community of Penryn. • West of a line drawn five miles east of, and paralleling State Highway 49. • Within five miles of either side of Interstate 80 between the northern limit of the community of Penryn and the northern limit of the community of Colfax.
Plumas	5	The entire county.
Riverside, Eastern Part	20	That portion lying east of a north-south line drawn 50 miles west of the Arizona State Line and north to the county line and south to the county line.
Riverside, Central Part	5	That portion of Riverside County lying east of a north-south line drawn through the intersection of Interstate 10 and Fields Road extending from the southern county line of Riverside County, north to the southern county line of San Bernardino County to the Eastern Part of the County.
San Benito, Southern Part	5	All of San Benito County except that portion lying north of an east-west line drawn across the county from a point two miles south of the community of Paicines.
San Bernardino, Northeastern Part	5	That portion of San Bernardino County lying north and east of an east-west line drawn two miles north of Oro Grande, extending from the western boundary of the county to its intersection with the northerly extension of, and thence along a line drawn through the following points: A point five miles east of Victorville, the eastern edge of the communities of Running Springs and Camp Angelus then due south to the San Bernardino County line.
San Bernardino, Eastern Part	20	That portion lying east of a north-south line drawn 150 miles west of the Arizona State Line and north to the county line and south to the county line.
San Diego, Northeastern Part	10	That portion of San Diego County lying east of a north-south line drawn ten miles east of the community of Julian, said line extending from the northern boundary of the county to its intersection with an east-west line extending from the eastern boundary of the county to its intersection with the aforesaid north-south line, said east-west line being at its closest point, three miles due north of the community of Mount Laguna.
San Mateo, Southwestern Part	5	That portion of San Mateo County lying more than two miles westerly from the nearest point on Skyline Boulevard and south of an east-west line drawn through a point two miles north of the community of Montara.
Santa Cruz, Northwestern Part	5	That portion of the Santa Cruz County lying northerly and westerly from a line drawn from a point one mile north of Swanton on the coast through a point one mile north of Brookdale and situated more than two miles from the nearest point on

COUNTY	% FACTOR	DESCRIPTION
		the eastern boundary of the county.
Shasta, except Valley Area	5	All of Shasta County except that portion lying south of Shasta Lake and situated within ten miles of Interstate Highway 5.
Sierra	5	The entire county.
Siskiyou, Central Part	15	That portion of Siskiyou County situated within ten miles of U.S. Highway 97 from Grass Lake to the Oregon State Line.
Siskiyou, Salmon River	25	All of the drainage area of the Salmon River (including the North and South Forks) except that portion situated within the Somes Bar Area described below.
Siskiyou, Somes Bar Area	20	Those portions of the drainage areas of the Salmon and Klamath Rivers located within the boundaries of the Junction Elementary School District.
Siskiyou, Western Part	15	That portion of Siskiyou County lying westerly from a line drawn ten miles west of and parallel to Interstate 5, except the Somes Bar and Salmon River areas described above.
Siskiyou, Yreka and Residual Area	5	All of Siskiyou County except the Salmon River, Somes Bar and Western areas described above.
Sonoma, Northwestern Part	5	That portion of Sonoma County enclosed by a line following the northern boundary of the county from the Pacific Ocean to a point 15 miles inland, thence southerly to a point two miles west of the community of Los Lomas, thence southerly to a point on the coast two miles south of the community of Fort Ross, thence northerly along the coast line to the northern boundary of the county.
Tehama, Residual Area	5	All of Tehama County except those portions situated within ten miles west of Interstate Highway 5 from the north county line to the southern county line; within ten miles east of Interstate Highway 5 from the north county line southward to a point east of Red Bluff, thence within ten miles east of and paralleling State Highway 99 southward to the county line.
Trinity, Residual Area	15	All of Trinity County except the State Highway 299 area described below.
Trinity, State Highway 299	10	That portion of Trinity County situated within five miles of State Highway 299.
Tulare, Eastern Part	5	That portion of Tulare County lying east of a north-south line drawn through the western limits of the community of Silver City.
Tuolumne, Eastern Part	5	All of Tuolumne County except that portion lying west of State Highway 49.
Yuba, Northeastern Part	5	All of Yuba County except that portion lying west of a line drawn ten miles east of, and paralleling State Highway 65 and that portion lying south of a line drawn three miles north of, and paralleling State Highway 20.

*As specifically approved by the Board.

- (1) Excluding Joint-Use Projects, if the project will house less than 101 pupils, the district is eligible for an Excessive Cost Hardship Grant equal to 12 percent of the funding provided by the New Construction Grant or 12 percent of the funding provided by the Modernization Grant.
- (2) Excluding Joint-Use Projects, if the project will house between 101 and 200 pupils, the district is eligible for an Excessive Cost Hardship Grant equal to four percent of the funding provided by the New Construction Grant or four percent of the funding provided by the Modernization Grant.
- (3) A Type I Joint-Use Project and a Type II, part of a qualifying SFP Modernization project, Joint-Use Project is eligible for an Excessive Cost Hardship Grant equal to:
 - (A) 12 percent of the funding provided by Section 1859.125(a)(1) through (a)(2), if the qualifying SFP New Construction or Modernization project pursuant to Section 1859.123 or 1859.123.1 will house less than 101 pupils.
 - (B) Four percent of the funding provided by Section 1859.125(a)(1) through (a)(2), if the qualifying SFP New Construction or Modernization project pursuant to Section 1859.123 or 1859.123.1 will house between 101 and 200 pupils.
- (4) A Type II Joint-Use Project, not part of a qualifying SFP Modernization project, is eligible for an Excessive Cost Hardship Grant equal to eight percent of the funding provided by Section 1859.125(a)(1) through (a)(2).

(c) Excessive Cost to Construct a New School Project.

(1) With the exception of Alternative Education schools for which the final plans and specifications for the project were accepted by the DSA on or after March 24, 2004, or Small High School Program new construction projects, if the project is for a new elementary, middle or high school on a site with no existing school facilities, the district is eligible for a New Construction Excessive Cost Hardship Grant equal to the difference in the amount provided by the New Construction Grant and the amount shown below, based on the number of classrooms, including classrooms used for Individuals with Exceptional Needs, in the project:

Class-rooms in project	Elementary School	Middle School	High School
1	\$160,000	\$674,000	\$1,466,000
2	\$377,000	\$756,000	\$1,525,000
3	\$566,000	\$840,000	\$1,885,000
4	\$717,000	\$932,000	\$2,205,000
5	\$842,000	\$1,028,000	\$2,428,000
6	\$1,021,000	\$1,125,000	\$2,651,000
7	\$1,202,000	\$1,222,000	\$2,874,000
8	\$1,341,000	\$1,328,000	\$3,046,000
9	\$1,341,000	\$1,440,000	\$3,184,000
10	\$1,577,000	\$1,553,000	\$3,321,000
11	\$1,577,000	\$1,666,000	\$3,459,000
12	\$1,660,000		\$3,585,000
13			\$3,709,000
14			\$3,833,000
15			\$3,958,000
16			\$4,082,000
17			\$4,207,000
18			\$4,331,000
19			\$4,455,000
20			\$4,580,000
21			\$4,704,000
22			\$4,828,000

The amounts shown above will be adjusted annually in the manner prescribed in Section 1859.71.

Any Excessive Cost Hardship Grant provided under this subsection for a new school project shall be offset against future New Construction Grant funds provided for that same school. The amount of the offset shall be determined by dividing the additional New Construction Grant pupil request by the difference in the New Construction Grant pupil request when the initial Excessive Cost Hardship Grant was made and 325 for an elementary school, 324 for a middle school, and 621 for a high school project and multiplying the quotient by the Excessive Cost Hardship Grant funds provided under this subsection for that project.

(2) Excessive Cost Hardship Grants for Alternative Education schools for which the plans and specifications for the project were accepted by the DSA on or after March 24, 2004, or for any Alternative Education schools for which the plans and specifications for the project were accepted by the DSA prior to March 24, 2004 and in lieu of choosing funding under Section 1859.82(c)(1), may request funding as follows:

(A) If the project is for an Alternative Education school on a site with no existing school facilities, the district is eligible for a New Construction Excessive Cost Hardship Grant equal to the difference in the amount provided by the New Construction Grant and the amount shown below, based on the number of classrooms in the project:

Classrooms	Alternative Education New School Allowance
1	\$ 434,700
2	\$ 527,400
3	\$ 921,960
4	\$ 1,037,250
5	\$ 1,152,540
6	\$ 1,267,830
7	\$ 1,383,120
8	\$ 1,504,170
9	\$ 1,629,180
10	\$ 1,754,190
11	\$ 2,239,290
12	\$ 2,364,300
13	\$ 2,489,310
14	\$ 2,614,320
15	\$ 2,739,330
16	\$ 2,864,340
17	\$ 2,989,350
18	\$ 3,114,360
19	\$ 3,239,370
20	\$ 3,364,380
21	\$ 3,489,480
22	\$ 3,614,490
23	\$ 3,739,500
24	\$ 3,864,510
25	\$ 3,989,520
26	\$ 4,114,530
27	\$ 4,239,540

The amounts shown will be adjusted annually in the manner prescribed in Section 1859.71.

(B) If the project is for additional classroom(s) to an existing Alternative Education school constructed under the provisions of 1859.83(c)(2), the district is eligible for a New Construction Excessive Cost Hardship Grant calculated as follows:

1. Determine the amount as shown in the chart above in Section 1859.83(c)(2)(A) for the total combined number of classrooms in the current project and all previous projects at the same site. In the first funding request when the total number of classrooms exceeds 27, the amount shown for 27 classrooms shall be used.
2. Subtract the sum of the amount previously apportioned for the New Construction Grant and the funding provided pursuant to Section 1859.83(c)(2) for the sum of the number of classrooms for all previous projects at the same site (exclude the classrooms in the current project) from (B)1.
3. Subtract the New Construction Grant for the current project from the result in (B)2.

(3) If the project is for a Small High School on a site with no existing facilities, or for only one of the Small High Schools created pursuant to Section 1859.93.2(c)(4), the district is eligible for a New Construction Excessive Cost Hardship Grant equal to the difference in the amount provided in the New Construction Grant and the amount shown below, based on the number of classrooms in the project:

Classrooms	Small High School
1	\$1,759,200
2	\$1,830,000
3	\$2,262,000
4	\$2,646,000
5	\$2,913,600
6	\$3,181,200
7	\$3,448,800
8	\$3,655,200
9	\$3,820,800
10	\$3,985,200
11	\$4,150,800
12	\$4,302,000
13	\$4,450,800
14	\$4,599,600
15	\$4,749,600
16	\$4,898,400
17	\$5,048,400
18	\$5,197,200
19	\$5,346,000
20	\$5,496,000
21	\$5,644,800
22	\$5,793,600

The amounts shown will be adjusted annually in the manner prescribed in Section 1859.71.

The grant shall not exceed the number of classrooms necessary to house 500 pupils.

After the expiration of the time frame specified in Section 1859.93.2(e), any Excessive Cost Hardship Grant shall be offset against future New Construction Grant funds as provided in (c)(1) above.

(d) Excessive Cost Due to Urban Location, Security Requirements and Impacted Site.

(1) Excluding Joint-Use Projects, the district is eligible for an Excessive Cost Hardship Grant if the district had a project that was previously approved by the DSA, and prior to January 22, 2003, has received SAB approval for a time extension for substantial progress, and if the useable site acreage for the project is:

(A) at least 50 percent but less than 75 percent of the site size recommended by the CDE for the master planned project capacity. The New Construction Excessive Cost Hardship Grant is equal to eight percent of the New Construction Grant and eight percent of the funding authorized by Sections 1859.73.2 and 1859.83(b) and (c).

(B) at least 30 percent but less than 50 percent of the site size recommended by the CDE for the master planned project capacity. The New Construction Excessive Cost Hardship Grant is equal to 15 percent of the New Construction Grant and 15 percent of the funding authorized by Sections 1859.73.2 and 1859.83(b) and (c).

(C) less than 30 percent of the site size recommended by the CDE for the master planned project capacity. The New Construction Excessive Cost Hardship Grant is equal to 50 percent of the New Construction Grant and 50 percent of the funding authorized by Sections 1859.73.2 and 1859.83(b) and (c).

(D) less than 30 percent of the site size recommended by the CDE for the master planned project capacity.

(2) Excluding Joint-Use Projects, the district is eligible for an Excessive Cost Hardship Grant if all of the following conditions are met, as applicable:

(A) the Useable Acres of the site for the project are 60 percent or less of the CDE recommended site size based on:

1. the current CBEDS Report at the existing site, if any, at the time of the CDE final plan approval for the project, if any, plus the greater of the Net School Building Capacity of the final new construction project plans submitted to the DSA as calculated in Education Code Section 17071.25(a)(2) or the pupil grants requested in the COS or Charter School project. The Useable Acres will include the existing site that is being utilized for this project plus any additional acreage to be acquired as a part of the Application.
2. the current CBEDS Report at the site at the time of the CDE final plan approval for the modernization project.

(B) at least 60 percent of the classrooms in the construction plans are in multistory facilities for any type of new construction project.

(C) the value of the site being acquired for a new construction project on a new site is at least \$750,000 per Useable Acre.

(3) If the criteria in (d)(2) are met, the Excessive Cost Hardship Grant:

(A) for new construction is equal to 15 percent of the New Construction Grant and 15 percent of the funding authorized by Sections 1859.73.2 and 1859.83(b) and (c) for a project with a site that is 60 percent of the CDE recommended site size plus 1.166 percent for each percentage decrease in the CDE recommended site size below 60 percent. In no event shall the amount provided in this subsection for a new construction project on a new site exceed 50 percent of the cost avoided with the purchase of a site smaller than the CDE recommended site size for the number of the pupil grants requested in the Application determined as follows:

1. The current estimated value of the project site as determined in Section 1859.74.6(a)(1).
2. Divide the amount in (A)1. by the number of Useable Acres.
3. Multiply the quotient in (A)2. by the number of Useable Acres recommended by CDE for the number of pupils described in Section 1859.83(d)(2)(A)1.
4. Subtract the value in (A)1. from the product in (A)3.
5. Multiply the difference in (A)4. above by 50 percent.

(B) for modernization is equal to 15 percent of the Modernization Grant and 15 percent of the funding authorized by Section 1859.83(b) for a project with a site that is 60 percent of the CDE recommended site size plus 0.333 percent for each percentage decrease of the CDE recommended site size below 60 percent.

(4) For Joint-Use Projects, the district is eligible for an Excessive Cost Hardship Grant if:

(A) the Type I Joint-Use Project's qualifying SFP New Construction project pursuant to Section 1859.123 qualifies for an Excessive Cost Hardship Grant under Section 1859.83(d)(2) and (3)(A).

(B) The Type II Joint-Use Project's qualifying SFP Modernization project pursuant to Section 1859.123.1 qualifies for an Excessive Cost Hardship Grant under Section 1859.83(d)(2) and (3)(B).

(C) The Useable Acres at the existing school site where the Type II Joint-Use Project, not part of a qualifying SFP Modernization project, is to be constructed are 60 percent or less of the CDE recommended site size based on the existing enrollment at the site.

(5) If the criteria in (d)(4)(A) or (C) are met, the Joint-Use Project Excessive Cost Hardship Grant is equal to 15 percent of the funding provided by Section 1859.125(a)(1) through (a)(2), for a project with a site that is 60 percent of the CDE recommended site size plus 1.166 percent for each percentage decrease in the CDE recommended site size below 60 percent. For a Type I Joint-Use Project when the qualifying SFP New Construction project involves new construction on a new site, in no event shall the amount provided in this subsection exceed 50 percent of the cost avoided with

the purchase of a site smaller than the CDE recommended site size for the qualifying SFP New Construction project pursuant to Section 1859.123 as calculated in Section 1859.83(d)(3)(A).

(6) If the criteria in (d)(4)(B) are met, the Joint-Use Project Excessive Cost Hardship Grant is equal to 15 percent of the funding provided by Section 1859.125(a)(1) through (a)(2), for a project with a site that is 60 percent of the CDE recommended site size plus 0.333 percent for each percentage decrease in the CDE recommended site size below 60 percent.

(e) Excessive Cost for rehabilitation of facilities the Board has determined are a health and safety risk to the pupils pursuant to Section 1859.82(a)(1) and the cost/benefit analysis to mitigate the problem and remain in the facility is less than 50 percent of the Current Replacement Cost of the facility. If the district qualifies, the district is eligible for funding of rehabilitation costs as a modernization project. If the Approved Application is received on or before April 29, 2002, the grant amount provided is 80 percent of the amount of the cost estimate required in Section 1859.82(a)(1) that has been reviewed by the OPSC and approved by the Board. If the Approved Application is received after April 29, 2002, the grant amount provided is 60 percent of the amount of the cost estimate required in Section 1859.82(a)(1) that has been reviewed by the OPSC and approved by the Board. **The district may be eligible for the funding provided to initiate and enforce a LCP or labor compliance program as prescribed in Section 1859.71.4.**

(f) Excessive cost due to accessibility and fire code requirements:

(1) The district is eligible for a Modernization Excessive Cost Hardship Grant equal to three percent of the Modernization Grant for accessibility and fire code requirements. In lieu of three percent, the district has the option of requesting 60 percent of the amount determined in (A), not to exceed 60 percent of the amount determined in (B):

(A) Determine the difference of the verified hard construction costs of the minimum accessibility and fire code work necessary to receive approval from the DSA minus seven percent of the sum of the Modernization Grant and the district matching share of the Modernization Grant pursuant to Section 1859.79.

(B) Determine the difference of 1. minus 2.:

1. Multiply the pupils requested in the application by the New Construction Grant.

2. The sum of the State and district share of the pupils requested on the Form SAB 50-04 multiplied by the grant determined pursuant to Section 1859.78 and 1859.78.3.

(2) Projects constructed pursuant to Section 1859.79.2(a)(1) may be provided a Modernization Excessive Cost Hardship Grant equal to three percent of the Modernization Grant.

(3) The district is eligible for a Modernization Excessive Cost Hardship Grant of:

(A) \$80,000 for each new two-stop elevator required to be included in the project by the DSA if the Approved Application was received on or before April 29, 2002.

(B) \$60,000 for each new two-stop elevator required to be included in the project by the DSA if the Approved Application is received after April 29, 2002.

The amounts shown in (A) and (B) above shall be adjusted annually in the manner prescribed in Section 1859.78.

(4) The district is eligible for a Modernization Excessive Cost Hardship Grant of:

(A) \$14,400 for each additional stop of the new elevator required in (3) above if the Approved Application was received on or before April 29, 2002.

(B) \$10,800 for each additional stop of the new elevator required in (3) above if the Approved Application was received after April 29, 2002.

The amounts shown in (A) and (B) above shall be adjusted annually in the manner prescribed in Section 1859.78.

Note: Authority cited: Sections 17070.35 and 17075.15, Education Code.

Reference: Sections 17072.32, 17074.15, 17074.16, 17075.10, 17075.15, 17077.40, 17077.42, ~~and~~ 17077.45 and 17250.30, Education Code.

Section 1859.125. Joint-Use Project Grant Determination Based on Square Footage.

If the funding request is to construct square footage, the Joint-Use Grant is the lesser of the amount determined in (a) or (b):

(a) The sum of the amounts determined below:

- (1) \$173.30 for the Toilet Facilities in the Joint-Use Project as calculated in (a)(1)(B) below:
 - (A) Divide the eligible square footage of the Joint Use Project as determined in Section 1859.124 by the total square footage of the joint-use facility.
 - (B) Multiply the quotient determined in (a)(1)(A) by the Toilet Facilities in the joint-use facility.
- (2) \$96.30 for non-Toilet Facilities in the Joint-Use Project as calculated in (a)(2)(B) below.
 - (A) Divide the eligible square footage of the Joint Use Project as determined in Section 1859.124 by the total square footage of the joint-use facility.
 - (B) Multiply the quotient determined in (a)(2)(A) by the non-Toilet Facilities in the joint-use facility.
- (3) 50 percent of site development work that meets the following criteria:
 - (A) It is necessary and applicable to the Joint-Use Project.
 - (B) It meets the requirements for service site development or utility costs as outlined in Section 1859.76(a) and/or (c). Off-site development work is not allowed as part of a Joint-Use Project; however, if off-site development work is necessary pursuant to Section 1859.76(b) for a Type I Joint-Use Project, the district may request the eligible off-site work under the qualifying SFP New Construction project pursuant to Section 1859.123.
 - (C) It is considered excessive site development costs and not eligible for funding under the qualifying SFP New Construction or Modernization project pursuant to Section 1859.123 or 1859.123.1.

(b) \$1 million if the Joint-Use Project will be located on a school site that is or will be serving Elementary School Pupil(s). \$1.5 million if the Joint-Use Project will be located on a school site that is or will be serving Middle School Pupil(s). \$2 million if the Joint-Use Project will be located on a school site that is or will be serving High School Pupils.

If the district is requesting funding for site development work applicable to the Joint-Use Project, the district must submit a detailed cost estimate and appropriate DSA approved plans, with the Form SAB 50-07. The cost estimate must include appropriate justification documents that indicate the work is necessary to complete the Joint-Use Project and conform to the requirements of Section 1859.76.

Utility service(s) cost shall be prorated, if necessary, for any excess capacity not needed to service the Joint-Use Project.

The dollar amounts shown in (a) are adjusted in a manner prescribed in Section 1859.71 and are eligible for Excessive Cost Hardship Grant(s) pursuant to Section 1859.83 (a), (b) and (d). The district may be eligible for the funding provided to initiate and enforce a LCP or labor compliance program as prescribed in Section 1859.71.4.

The Joint-Use Grant amounts provided in this Section and Section 1859.125.1, if applicable, shall be deemed the full and final apportionment for the application. Any costs incurred by the district beyond the Joint-Use Grant amount and the Joint-Use Partner(s) and district financial contribution pursuant to Section 1859.127, shall be the responsibility of the district and/or the Joint-Use Partner(s).

Note: Authority cited: Sections 17070.35 and 17075.15, Education Code.

Reference: Sections 17077.40, 17077.42, and 17077.45 and 17250.30, Education Code.

Section 1859.125.1. Additional Type I Joint-Use Project Extra Cost Grant.

In addition to the square footage Joint-Use Grant provided in Section 1859.125, a Type I Joint-Use Project may receive funding for Extra Cost equal to the lesser of (a) or (b):

(a) An amount determined by subtracting (a)(2) from (a)(1):

(1) The sum of the following:

(A) 50 percent of the estimated cost to construct the Joint-Use Project.

(B) 50 percent of site development work that meets the following criteria:

1. It is necessary and applicable to the Joint-Use Project.
2. It meets the requirements of Section 1859.76(a) and/or (c).
3. It is considered excessive site development costs and not eligible for funding under the qualifying SFP New Construction project pursuant to Section 1859.123.
4. The district did not receive funding for the site development work under Section 1859.125.

(2) The sum of the following:

(A) \$173.30 for the Toilet Facilities in the Joint-Use Project.

(B) \$96.30 for the non-Toilet Facilities in the Joint-Use Project.

(b) An amount determined by subtracting (b)(2) from (b)(1):

(1) \$1 million if the Joint-Use Project will be located on a school site that is or will be serving Elementary School Pupil(s). \$1.5 million if the Joint-Use Project will be located on a school site that is or will be serving Middle School Pupil(s). \$2 million if the Joint-Use Project will be located on a school site that is or will be serving High School Pupils.

(2) The Joint-Use Grant amount determined in Section 1859.125 based on square footage, if applicable. If the district is requesting funding for site development work applicable to the Joint-Use Project, the district must submit a detailed cost estimate and appropriate DSA approved plans with the Form SAB 50-07. The cost estimate must include appropriate justification documents that indicate the work is necessary to complete the Joint-Use Project and conform to the requirements in Section 1859.76. Utility service(s) cost shall be prorated, if necessary, for any excess capacity not needed to service the Joint-Use Project. The amounts shown in (a) are adjusted in a manner prescribed in Section 1859.71. **The district may be eligible for the funding provided to initiate and enforce a LCP or labor compliance program as prescribed in Section 1859.71.4.** The Joint-Use Grant amount provided in this Section and Section 1859.125, if applicable, shall be deemed the full and final apportionment for the application. Any costs incurred by the district beyond the Joint-Use Grant amount and the Joint-Use Partner(s) and district financial contribution pursuant to Section 1859.127, shall be the responsibility of the district and/or the Joint-Use Partner(s).

Note: Authority cited: Sections 17070.35 and 17075.15, Education Code.

Reference: Sections 17077.40, 17077.42, and 17077.45 and 17250.30, Education Code.

Section 1859.163.1. Preliminary Charter School New Construction Apportionment Determination.

The Preliminary Charter School New Construction Apportionment shall be separated into two categories, items that may be identified as construction costs versus site acquisition costs.

(a) The Preliminary Charter School Apportionment for construction costs shall be equal to the sum of (1) through (9) below:

(1) The amounts shown below for each pupil, based on the project capacity, included in a Preliminary Charter School Application:

(A) \$5,227 for each elementary school pupil.

(B) \$5,534 for each middle school pupil.

(C) \$7,226 for each high school pupil.

(D) \$16,653 for each pupil that is a Severely Disabled Individual with Exceptional Needs.

- (E) \$11,137 for each pupil that is a Non-Severely Disabled Individual with Exceptional Needs.
- (2) An amount equal to 12 percent of the amount determined in (1) for multilevel construction, if requested by the Charter School.
- (3) An amount for site development cost determined, at the option of the Charter School, by one of the following:
- (A) One-half of the site development cost for the specific site as authorized by Section 1859.76.
 - (B) One-half of the site development cost as authorized by Section 1859.76 using historical information in the Charter School General Location. Historical information that may be considered to determine this estimated cost may include prior SFP projects of the district or other districts in the Charter School General Location.
 - (C) \$70,000 multiplied by the proposed acres requested on the Form SAB 50-09.
- (4) General Site Development costs within school property lines for an addition to an existing school site project wherein additional acreage is acquired or a new school project, determined as follows:
- (A) \$9,600 per proposed acre requested on the Form SAB 50-09. This sum may be increased pursuant to the provisions in Section 1859.83(b). The per acre amount shown above shall be adjusted annually in the manner prescribed in Section 1859.71.
 - (B) 6 percent for Elementary School Pupils and Middle School Pupils and 3.75 percent for High School Pupils of the funding provided by Sections 1859.163.1(a)(1) multiplied by two. For purposes of this calculation, the percentage amount for Severely Disabled Individuals with Exceptional Needs and Non-Severely Disabled Individuals with Exceptional Needs pupils shall be based on the type of project selected by the Charter School on the Form SAB 50-09.
 - (C) 6 percent for Elementary School Pupils and Middle School Pupils and 3.75 percent for High School Pupils of the funding provided by Sections 1859.163.1(a)(2) and (5) multiplied by two.
- (5) If the Preliminary Application request is for a small project that will house no more than 200 pupils, an amount pursuant to the following:
- (A) If the project will house less than 101 pupils, the district is eligible for an amount equal to 12 percent of the funding provided by (a)(1).
 - (B) If the project will house between 101 and 200 pupils, the district is eligible for an amount equal to four percent of the funding provided by (a)(1).
- (6) An amount due to urban location, security requirements and impacted site equal to 15 percent of the amount determined in (1) and (5), plus 1.166 percent for each percentage decrease in the CDE recommended site size below 60 percent when the following criteria are met:
- (A) The Charter School has requested an increase for multilevel construction pursuant to (2) above.
 - (B) The Useable Acres of the existing and/or proposed site are 60 percent or less of the CDE recommended site size.
 - (C) The value of the property as determined in Section 1859.163.2(a) is at least \$750,000 per Useable Acre. This criterion does not apply to an application for an addition to an existing school site.
- (7) An amount for the geographic location of the proposed project equal to the sum of the amounts determined in (1), (2), (3)(C), (4)(A) and (B), (5) and (6) multiplied by the indicated percentage factor in the Geographic Percentage Chart shown in Section 1859.83(a).
- (8) For all Preliminary Apportionments received after February 23, 2005, an amount equal to the sum of the amounts determined in (1) through (6) multiplied by a factor determined as follows:
- (A) Divide the January Class B Construction Cost Index in effect at the time of the Preliminary Apportionment by the January Class B Construction Cost Index in effect four years prior to the Preliminary Apportionment. Round to four decimal places.
 - (B) Subtract 1 from the quotient in (A). Round to two decimal places.

(9) An amount for the Department of Industrial Relations fee to Fifty percent of the amount to initiate and enforce a labor compliance program as prescribed in Section 1859.71.4, if required by the Labor Code.

(10) If the Charter School is paying its matching share through the form of lease payments, pursuant to Section 1859.168, the value of the lease as determined by the Authority attributable to the items in (1) through (9) above.

(b) The Preliminary Charter School Apportionment for site acquisition costs shall be:

(1) Equal to one-half of the site acquisition value determined in Section 1859.163.2(a) and (c).

(2) If the Charter School is paying its matching share through the form of lease payments, pursuant to Section 1859.168, the value of the lease as determined by the Authority attributable to (1) above.

(c) The total amount calculated in (a) above will be added to any amount calculated in (b) above, which will provide the Preliminary Charter School Apportionment amount.

The amounts shown in (a)(1) shall be adjusted annually in the manner prescribed in Section 1859.71.

Subsection (a)(4) of this section shall be suspended no later than January 1, 2008, unless otherwise extended by amendments as adopted by the Board.

Note: Authority cited: Sections 17070.35 and 17078.64, Education Code.

Reference: Sections 17078.52, and 17078.56 and 17250.30, Education Code.

Section 1859.163.5. Preliminary Charter School Rehabilitation Apportionment Determination.

The Preliminary Charter School Rehabilitation Apportionment will be determined based on the eligible square footage included in the project. For purposes of the Preliminary Charter School Rehabilitation Apportionment, eligible square footage is defined as the total enclosed exterior square footage of the school buildings. For multilevel buildings, include the square footage at each level.

The amount of funding for each Preliminary Charter School Rehabilitation Apportionment will be equal to the sum of the amounts determined in (a) through (g) below:

(a) The lesser of the amount determined in (1) or (2) below:

(1) The dollar value calculated using a per square foot amount and the total eligible square footage for the site as follows:

(A) Determine the total square footage for each classroom included in the project (limited by the Charter School's projected enrollment).

(B) Determine the total square footage for any multi-purpose room included in the project.

(C) Determine the total square footage for any gymnasium included in the project.

(D) Determine the total square footage for any library included in the project.

(E) Determine the total square footage for any administration building included in the project.

(F) Add the total square footage in (A) through (E) above to obtain the total square footage for the project.

(G) From the total determined in (F), determine the total square footage for toilet facilities and the total square footage for other facilities. Multiply the toilet facilities square footage by \$173.30 and the other facilities square footage by \$96.30. The sum of these figures is the square footage dollar value for the project.

(2) The dollar value calculated using the new construction grant amount and the project capacity based on the State loading standards as follows:

(A) Determine the proposed grade level usage of each classroom in the project (limited by the Charter School's projected enrollment).

(B) Multiply the number of classrooms at the K-6 grade level by 25, the number of classrooms at the 7-12 grade level by 27, the number of non-severe classrooms by 13, and the number of severe classrooms by 9.

(C) Multiply the number of pupils calculated pursuant to (B) by the appropriate dollar value determined in Section 1859.163.1(a)(1).

(b) If the Preliminary Application request is for a small project that will house no more than 200 pupils, an amount pursuant to the following:

(1) If the project will house less than 101 pupils, the district is eligible for an amount equal to 12 percent of the funding provided by (a).

(2) If the project will house between 101 and 200 pupils, the district is eligible for an amount equal to four percent of the funding provided by (a).

(c) An amount due to urban location, security requirements and impacted site equal to 15 percent of the amount determined in (a) and (b), plus for a project with a site that is 60 percent or less of the CDE recommended site size plus 0.333 percent for each percentage decrease in the CDE recommended site size below 60 percent.

(d) An amount for the geographic location of the proposed project equal to the sum of the amounts determined in (a), (b), (c), and (e) multiplied by the indicated percentage factor in the Geographic Percentage Chart shown in Section 1859.83(a).

(e) \$60,000 for each new two-stop elevator required to be included in the project by the DSA, and \$10,800 for each additional stop.

(f) For all Preliminary Apportionments received after February 23, 2005, an amount equal to the sum of the amounts determined in (a) through (e) multiplied by a factor determined as follows:

(1) Divide the January Class B Construction Cost Index in effect at the time of the Preliminary Apportionment by the January Class B Construction Cost Index in effect four years prior to the Preliminary Apportionment. Round to four decimal places.

(2) Subtract 1 from the quotient in (1). Round to two decimal places.

(g) An amount for the Department of Industrial Relations fee to initiate and enforce a labor compliance program as prescribed in Section 1859.71.4, if required by the Labor Code.

(h) If the Charter School is paying its matching share through the form of lease payments, pursuant to Section 1859.168, the value of the lease as determined by the Authority attributable to the items in (a) through (g) above.

The amounts determined in (a) and (e) shall be adjusted annually in the manner prescribed in Section 1859.71.

Note: Authority cited: Sections 17070.35, and 17078.64, and 17250.30, Education Code.

Reference: Sections 17071.25, 17078.52, 17078.54 and 17078.58, Education Code.

Section 1859.193. Career Technical Education Facilities Grant Determination.

A Career Technical Education Facilities Project may construct a new facility or modernize or Reconfigure an existing school building. The application for Career Technical Education Facility funding may accompany an application for new construction funding pursuant to Section 1859.70 or may be submitted independently.

The applicant must identify square footage of the Career Technical Education Facility being constructed, modernized, reconfigured or equipped, on the funding application. Equipment purchased under the Career Technical Education Facilities Program must have an average useful life expectancy of at least ten years pursuant to Education Code 17078.72(a). An application for a Career Technical Education Facilities Project may consist entirely of equipment. All equipment must be purchased on or after May 20, 2006, unless the Career Technical Education Facilities Project is combined with a qualifying SFP new construction project pursuant to Section 1859.193.1.

(a) For new construction of a Career Technical Education Facilities Project included in a qualifying New Construction Grant, the Career Technical Education Facilities grant amount shall be the lesser of either (1) or (2):

(1) The sum of the costs uniquely related to facilities required to provide Career Technical Education as determined below:

(A) 50 percent of the cost of construction of the Career Technical Education Facilities Project, as determined by the project architect, subject to OPSC review and approval.

(B) 50 percent of the cost to equip the Career Technical Education Facilities Project with necessary equipment.

(C) Minus an allowance for New Construction Grants provided for Career Technical Education classrooms, determined by:

1. Multiplying 960 square feet by the number of classrooms in the Career Technical Education Facilities Project that were included in the New Construction project.

2. Multiplying the amount determined in (a)(1)(C)1 by 50 percent of the Current Replacement Cost for non-Toilet Facilities.

(2) \$3 million per Career Technical Education Facilities Project.

(3) Site development work is not allowed as part of a Career Technical Education Facilities Project included in a New Construction Grant. Site development work necessary pursuant to Section 1859.76, may be requested by the district under the qualifying SFP New Construction.

(b) For stand-alone new construction of a Career Technical Education Facilities Project, the grant amount shall be the lesser of either (1) or (2):

(1) The sum of the costs uniquely related to facilities required to provide Career Technical Education as determined below:

(A) 50 percent of the cost of construction of the Career Technical Education Facilities Project, as determined by the project architect, subject to OPSC review and approval.

(B) 50 percent of the cost to equip the Career Technical Education Facilities Project with necessary equipment.

(C) 50 percent of site development work that meets the following criteria:

1. It is necessary and applicable to the Career Technical Education Facilities Project.

2. It meets the requirements for site development costs as outlined in Section 1859.76.

(2) \$3 million per Career Technical Education Facilities Project.

(3) If the district is requesting funding for site development work applicable to the Career Technical Education Facilities Project, the district must submit a detailed cost estimate and appropriate DSA approved plans with the Form SAB 50-10. The cost estimate must include appropriate justification documents that indicate the work is necessary to complete the Career Technical Education Facilities Project and conform to the requirements in Section 1859.76.

(4) Utility service(s) cost shall be prorated, if necessary, for any excess capacity not needed to service the Career Technical Education Facilities Project.

(c) For Modernization of a Career Technical Education Facilities Project, the grant amount shall be the lesser of either (1) or (2):

(1) The sum of the costs uniquely related to facilities required to provide Career Technical Education Facilities Project as determined below:

(A) 50 percent of the cost to modernize or Reconfigure the Career Technical Education Facilities, as determined by the project architect, subject to OPSC review and approval.

(B) 50 percent of the cost to equip the Career Technical Education Facilities with necessary equipment.

(2) \$1.5 million per Career Technical Education Facilities Project.

(3) Reconfiguring an existing school building must not displace a minimum essential facility. In any case involving the replacement of a minimum essential facility due to the reconfiguration of an existing building, the replacement must be part of the plans submitted in support of the Career

Technical Education Facilities Application, must occur concurrently, and cannot be part of a SFP Application for new construction.

(4) Utility service(s) cost shall be prorated, if necessary, for any excess capacity not needed to service the Career Technical Education Facilities Project.

(d) If an applicant meets the eligibility criteria in Section 1859.192, but does not have the necessary approvals from the DSA and/or the CDE at the time of apportionment, the Board may apportion funds for the Career Technical Education Facilities Project and reserve them for a period of up to 12 months. The grant amount to be reserved for the project will be the maximum funding as determined above in (a), (b), or (c).

(e) After determining all other funding authorized by these Regulations, the Board shall increase the state's share by one-fourth of one percent of the total project cost, less the district matching share required in Section 1859.77.1, and exclusive of equipment cost, for any project for which the school district is required under Labor Code Section 1771.75 to pay the Department of Industrial Relations fee to initiate and enforce a labor compliance program.

Note: Authority cited: Sections 17070.35 and 17078.72(k), Education Code.

Reference: Section 17078.72 and 17250.30, Education Code.

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