



Office of Public School Construction

STAFF TO THE STATE ALLOCATION BOARD



School Facility Program Update

July 14, 2014

Presented by

LISA SILVERMAN - EXECUTIVE OFFICER

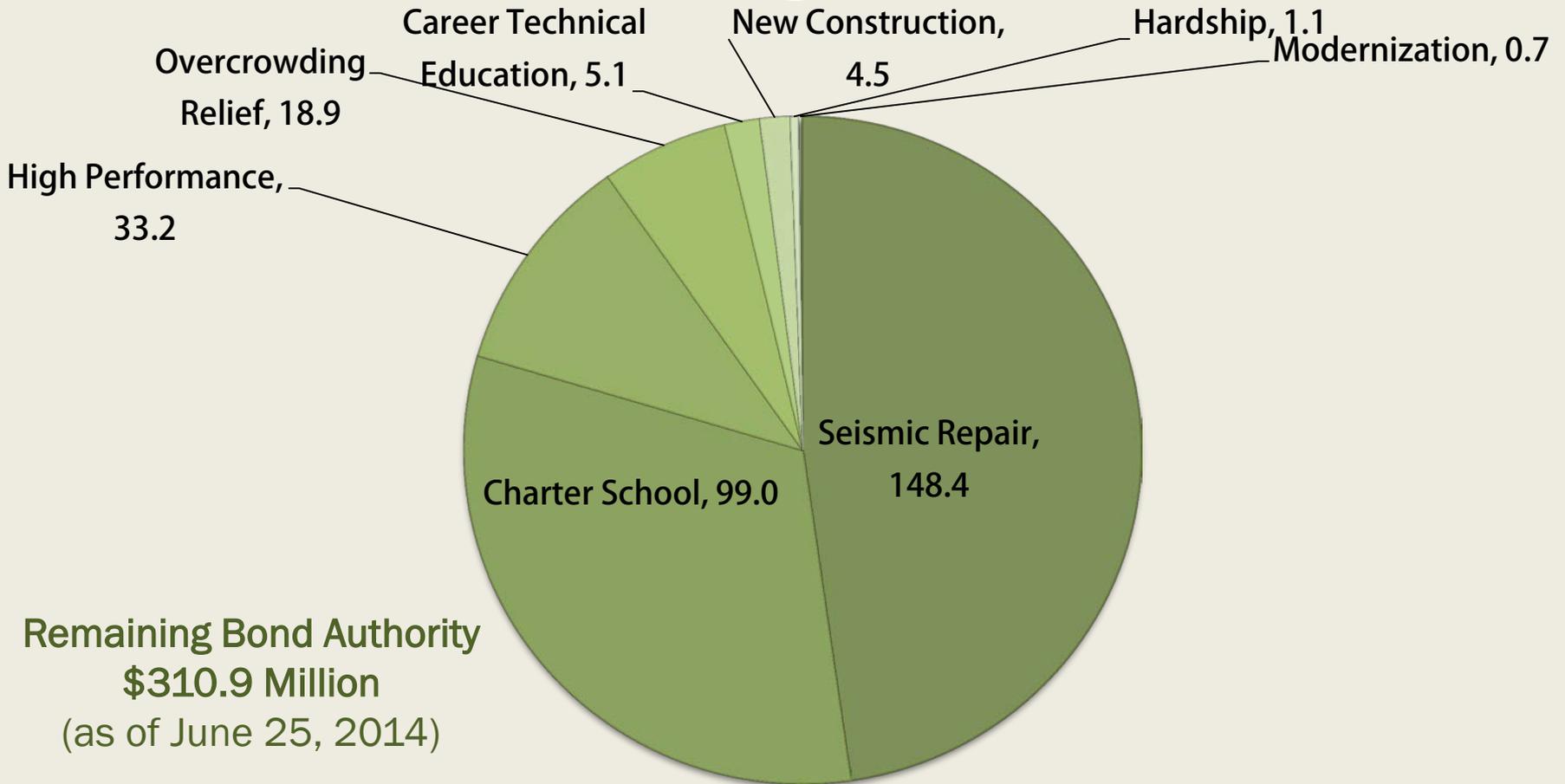
Topics



- Bond Authority
- Unfunded Lists
- Active Programs
- Converted Projects
- Priority Funding
- Approval Process



Bond Authority – Remaining



Remaining Bond Authority
\$310.9 Million
(as of June 25, 2014)



Bond Authority – Transfers



State Budget transfers remaining bond authority from specialized programs, effective January 1, 2015

Bond authority comes from...

- Career Technical Education Program
- High Performance Incentive Grant

Bond authority goes to...

- Authority available on January 1, 2015 is split 50/50 between New Construction and Modernization
- For authority returning after January 1, 2015, SAB determines percentages split between New Construction and Modernization



Unfunded Lists



New Construction

Unfunded List (Lack of AB 55 Loans)

Applications Received
Prior to July 12, 2012

"True" Unfunded List*

Applications Received
July 13, 2012 to October 31, 2012

"Acknowledged" List* **

Applications Received on or after
November 1, 2012

Modernization

Unfunded List (Lack of AB 55 Loans)

Applications Received
Prior to May 3, 2012

"True" Unfunded List

Applications Received
May 4, 2012 to October 31, 2012

"Acknowledged" List

Applications Received on or after
November 1, 2012

Unfunded List (Lack of AB 55 Loans)

- Fully processed by OPSC
- SAB Approved - Bond Authority
- Waiting for an Apportionment through Priority Funding round - no guarantee of future funding.

"True" Unfunded List

- Fully processed by OPSC
- SAB Approved - no Bond Authority
- No guarantee of future funding or bond authority.
- Could be placed on "Lack of AB 55 Loans" List if bond authority becomes available under current program.

"Acknowledged" List

- School board resolution required with submittal of application.
- Accepted but not processed by OPSC.
- SAB acknowledges but does not approve.
- No guarantee of future funding or bond authority.

* Applications on this List have no Bond Authority or guarantee of future funding.

** If a school facilities program is approved in the future, it is unknown whether these projects will be processed or eligible for funding under the new criteria.



Unfunded Lists



LIST	APPLICATIONS SUBMITTED	FUNDING REQUEST (in millions)
Unfunded List (Lack of AB 55 Loans) (as of May 28, 2014)	89	\$225.7
Unfunded List (Lack of Authority) (as of May 28, 2014)	138	\$392.6
Acknowledged List: Applications Received Beyond Bond Authority (as of June 30, 2014)	225	\$523.0



Active Programs



Facility Hardship

	2013 Projects	2013 Funding	2014 Projects (as of 6/25/14)	2014 Funding (as of 6/25/14)
Facility Hardship	14	\$24.1	0	\$0
Seismic Mitigation	7	\$7.9	11	\$12.7

- OPSC is available to assist with the application process
 - Project managers are actively reaching out to districts located near recent natural disasters



Active Programs



Seismic Mitigation Program - Facility Hardship

- Plans at DSA
 - 3 districts, 6 structures, likely 4 applications
- In-house Applications
 - Funding Applications for August SAB = 3 for \$16.2 Million
 - Conceptual Approval for August SAB = 1 for \$5.6 Million
 - ✦ Conceptual approvals previously granted = 6 for \$52.1 Million
- Estimated amount available = \$132.2 million
- OPSC is available to assist with the application process
- Future Implementation Committee discussion
 - Those who have recently completed the process are encouraged to share their experience



Active Programs



Charter School Facilities Program

- In-house Conversions
 - August SAB = 3 projects
 - Funds Requested = \$16.3 million
- \$99.0 million in Bond Authority available
 - Filing round ended May 30, 2014
 - Funds Requested = Over \$600 million
 - Charters must be found financially sound by the California School Finance Authority to receive funding
 - SAB item expected later in 2014



Active Programs



Overcrowding Relief Grant

- \$18.9 million in Bond Authority available
- Current round is oversubscribed
 - Applications Received = 14
 - Funds Requested = \$84.9 million
- Future rounds are at SAB discretion
 - Discussion expected at August SAB meeting
- Any return of authority would remain with the program
- Nonparticipation process applies once Regulations are approved by the Office of Administrative Law
 - ORG projects on the Unfunded List = 14 (\$103.2 million)



Active Programs



Emergency Repair Program (ERP)

- Funds coming into the program will be allocated in two funding cycles
 - August – Tentative
 - TBD
- Funds will be distributed to districts with applications on the ERP Unfunded List by date received, until the money is exhausted
 - Funds disbursed automatically
 - After apportionment, Districts will have 15 months (21 months if DSA approval required) to submit the ERP Expenditure Reports.



Application Processing

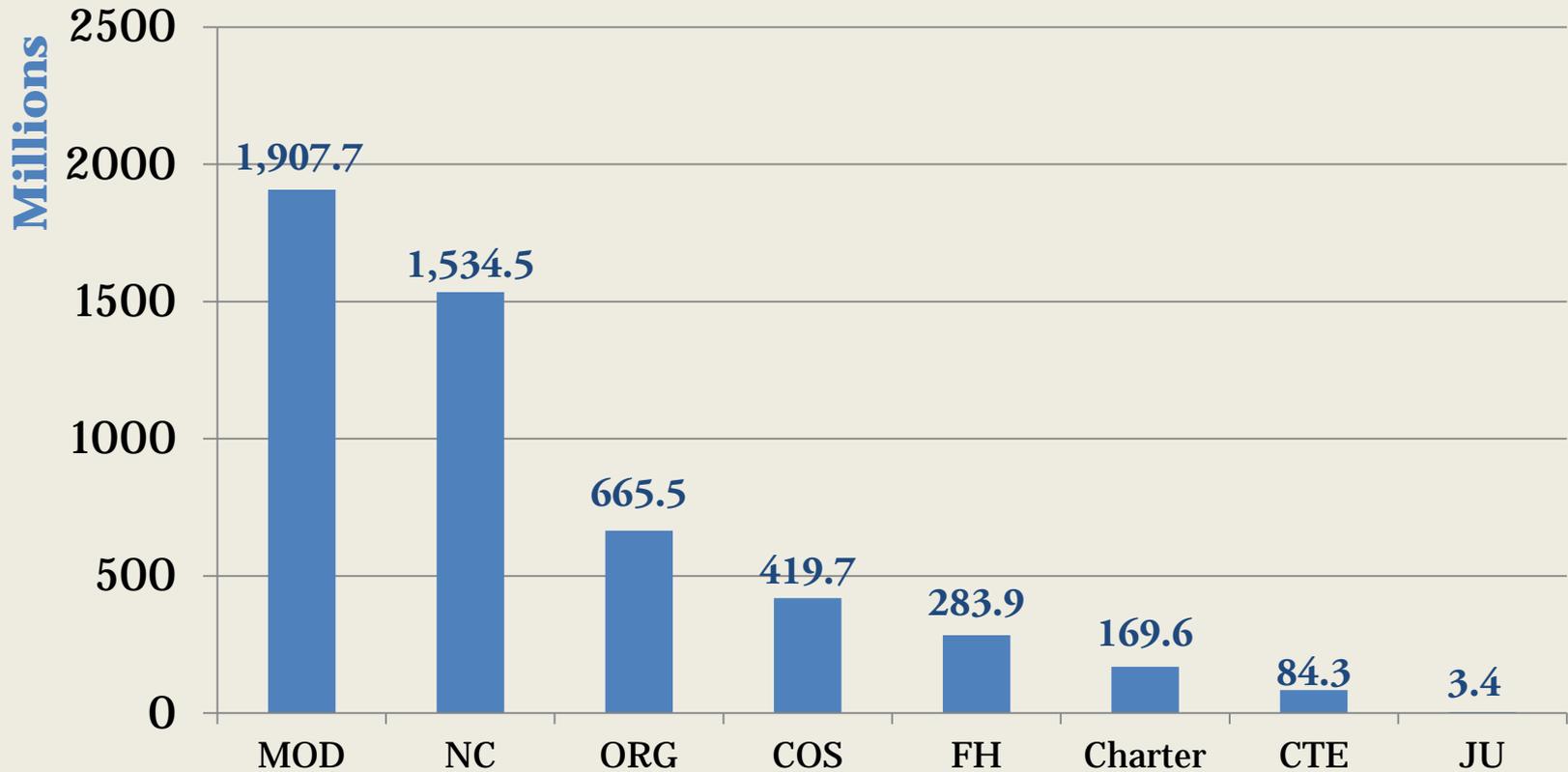


When projects are rescinded (Loss of Bond Authority)...

1. Removed from the Unfunded List (Lack of AB 55 Loans)
2. Bond Authority available for additional projects
3. Facility Hardship projects on the Acknowledged List are processed before other types of projects on the Unfunded List (Lack of Authority)
4. Projects can move from Unfunded List (Lack of Authority) to Unfunded List (Lack of AB 55 Loans)
 - All projects with same received date must move together
 - Program and Bond Source must also be considered



Application Processing



Distribution of Successful Priority Funding Projects



Application Processing



What about projects on the Acknowledged List?

- Bond authority must be available
- All projects for a given program must be removed from the True Unfunded List



Priority Funding



Must be on Unfunded List (Lack of AB 55 Loans)



Submit request to convert unfunded approval to apportionment



As cash becomes available, the SAB makes apportionments



Priority Funding



Completed Funding Rounds (Six Rounds)

- Total Number of Apportionments: **1,808**
- Total Number of Converted Apportionments (Includes Automatic Fund Releases): **1,782**
- Success Rate Based on Converted Apportionments: **99%**
- Total Apportioned: **\$5.3 billion**
- Total Funds Released: **\$5.1 billion (still being processed)**
- Success Rate Based on Funds Released: **97%**



Priority Funding



Total Nonparticipation

- One Occurrence: 49 projects
- Two Occurrences: 26 projects

ROUND	Two Occurrences	Authority
Sixth	2 projects	\$1.5 million
Seventh	2 projects	\$3.0 million



Priority Funding



Sixth Round Apportionments (As of July 9, 2014)

- Apportionment Dates:
 - ✦ March 26, 2014 (2)
 - ✦ April 7, 2014 (104)
- Total Apportionments: **106**
- Total Apportioned: **\$373.0 million**
- Fund Release Requests Received: **100**
- Total Released: **\$357.1 million**



Priority Funding



Seventh Round Requests (Current)

- Filing period lasted from May 14, 2014 through June 12, 2014
- Requests valid from July 1, 2014 to December 31, 2014
- Certifications
 - Quantity Received = **131**
 - Funding Requested = **\$225.7 million**



Priority Funding



Next filing period

- November 12, 2014 through December 11, 2014
- Requests valid from January 1, 2015 to June 30, 2015

Please remember that requests must have original signatures and be physically received by the OPSC prior to COB on the last day of the filing period.



Upcoming Events



- **Implementation Committee**
 - August 2014 – Tentative date in the first week
- **State Allocation Board**
 - August 27, 2014 - Tentative rescheduling for the preceding week.



Questions



Please let us know if you have any questions...

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Please send comments and suggestions to:
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