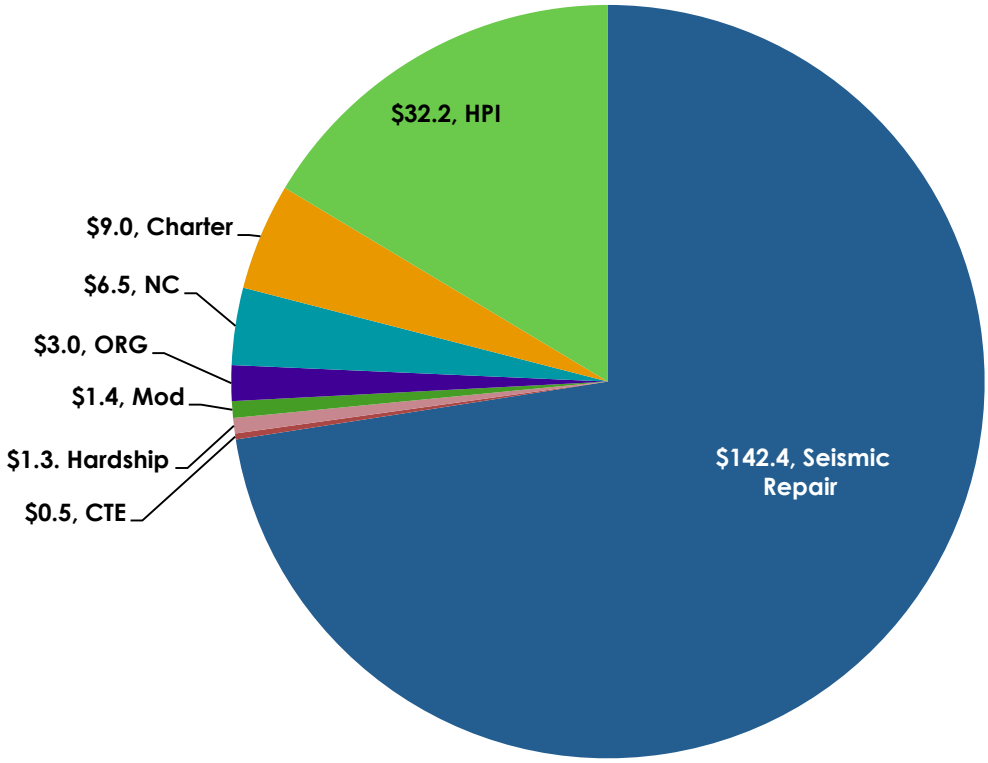
Office of Public School Construction

School Facility Program Update

Bond Authority - Remaining

$196.3 Million
(as of December 31, 2014)



Remaining Bond Authority (in millions)	
Seismic Repair	$ 142.4
Career Technical Education	$ 0.5
Hardship	$ 1.3
Modernization	$ 1.4
Overcrowding Relief	$ 3.0
New Construction	$ 6.5
Charter School	$ 9.0
High Performance Schools	$ 32.2
Grand Total	**$ 196.3**

Bond Authority - Transfers

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

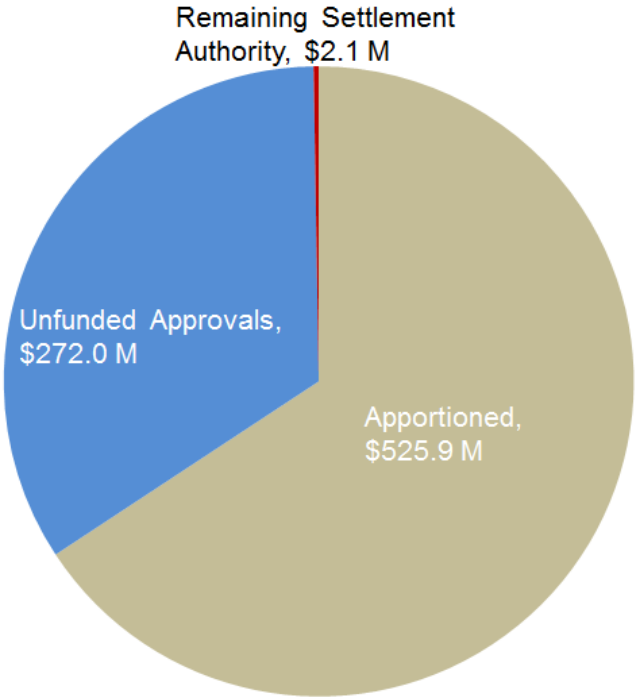
Bond authority comes from…

- 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

Emergency Repair Program Authority



ERP Funding Requests (as of October 16, 2014)
Previously Funded • 6,992 projects for $525.9 M
October 16, 2014 Apportionments • 352* projects for $94.1 M
ERP Unfunded List • 643* projects for $272.0 M

* Projects that were apportioned on October 16, 2014 are counted twice. They will receive 70 percent funding in October, but remain on the ERP Unfunded List until the remaining 30 percent is funded.

Unfunded Lists

School Facility Program
Application Processing

	Unfunded List (Lack of AB 55 Loans)	"True" Unfunded List*	"Acknowledged" List* **
New Construction	Applications Received Prior to October 9, 2012	Applications Received October 9, 2012 to October 31, 2012	Applications Received from November 1, 2012
Modernization	Applications Received Prior to May 10, 2012	Applications Received May 10, 2012 to October 31, 2012	Applications Received from November 1, 2012

Unfunded List (Lack of AB 55 Loans)	"True" Unfunded List	"Acknowledged" List
• Fully processed by OPSC • SAB Approved - Bond Authority • Waiting for an Apportionment through Priority Funding round - no guarantee of future funding.	• 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.	• 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.
As of 11/25/14 76 applications for $229.6 million	**As of 11/25/14** 145 applications for $393.5 million	**As of 12/31/14** 308 applications for $820.7 million

* 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.

Active Programs

Facility Hardship

	2013 Projects	2013 Funding	2014 Projects (as of 10/16/14)	2014 Funding (as of 10/16/14)
Facility Hardship (non-SMP)	14	$24.1 M	0	$0
Seismic Mitigation Program	7	$7.9 M	17	$18.7

OPSC is available to assist with the application process. OPSC Project Managers actively reach out to districts located near recent natural disasters.

Seismic Mitigation Program (SMP) - Facility Hardship

- Active Plans at DSA: 2 districts, 2 structures, likely 2 applications
- Funding applications approved at November SAB: 1 for $474,624
    - Conceptual approval approved at November SAB: None
- Estimated amount available: $142.4 million
- Two funding applications currently in house
- OPSC is available to assist with the application process

Charter School Facilities Program

- In-house Conversions
    - Conversions currently in-house: 6 for $91.0 million
- $91.6 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

Overcrowding Relief Grant (as of 10/28/14)

- $21.5 million in Bond Authority available
    - Last (12th) funding cycle was oversubscribed
    - Applications Received = 14 for 84.9 million
- No additional funding rounds are scheduled
    - On August 20, 2014, the SAB decided that future funding be made available to 12th funding cycle applications currently in house
- Any return of authority would remain with the program
- Nonparticipation process applies effective October 1, 2014
    - ORG projects on the Unfunded List = 14 ($103.2 million)

Application Processing

Applications received on or after November 1, 2012:

- Not fully reviewed or processed by OPSC
- Not approved by the SAB
- Placed on the Acknowledged List
- Exceptions: Charter, Overcrowding Relief Grant

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

Financial Hardship Review

Applications received on or after November 1, 2012:

- OPSC will not accept Financial Hardship (FH) packages for programs lacking bond authority
- Districts can submit Application for Funding (Form SAB 50-04) to get on Acknowledged List without FH approval letter
- If authority becomes available, projects on unfunded list for 180 days or more will be reviewed to determine if additional funds are available
    - Contact: John Leininger, Supervisor at (916) 375-4610 or john.leininger@dgs.ca.gov

Application Processing, continued

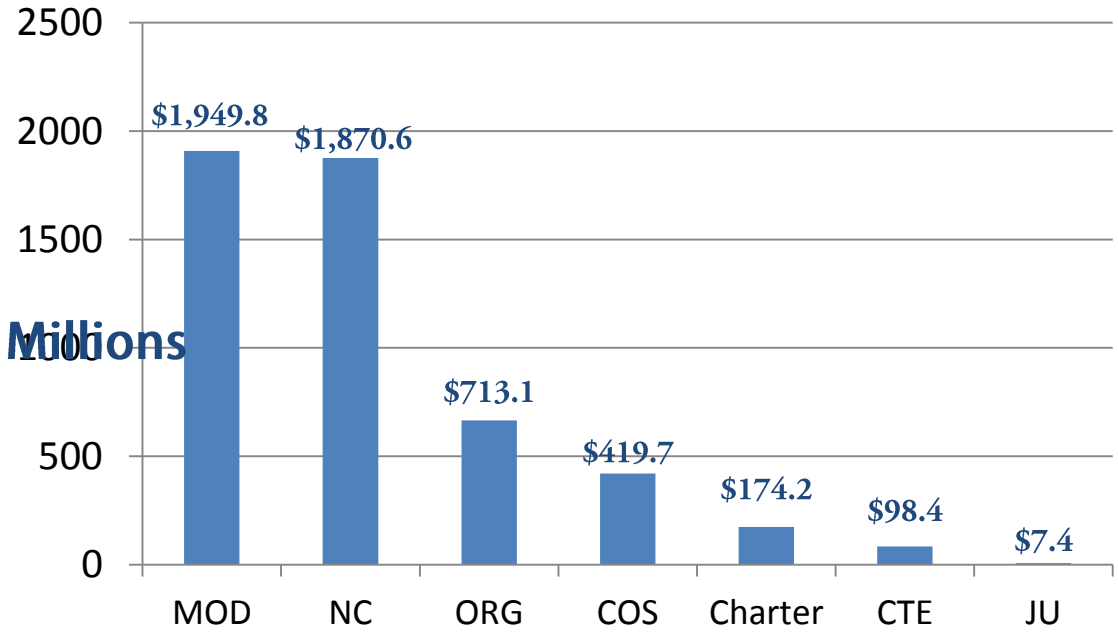
Distribution of Successful Priority Funding Projects

As of 1/28/15

$5.39 Apportioned

$5.23 Billion Released

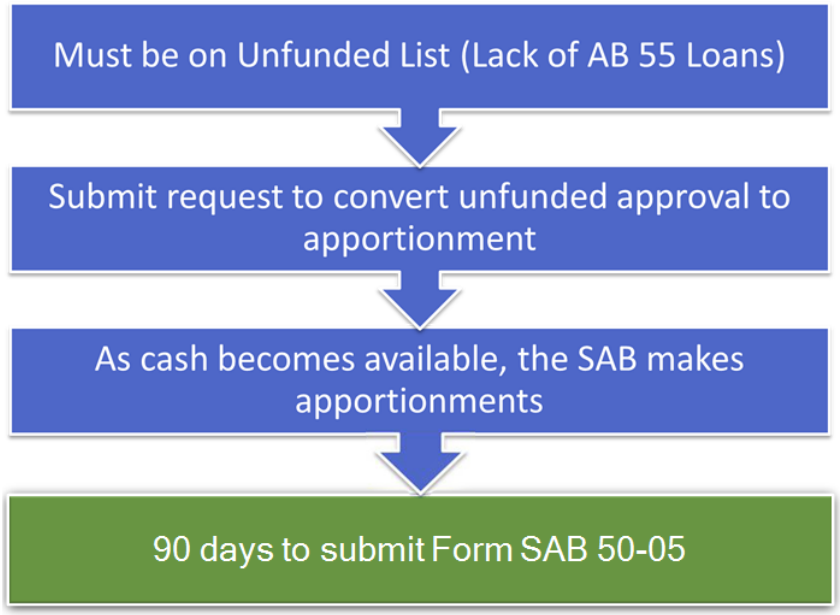
98 percent Success Rate



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



Completed Funding Rounds (Seven Rounds)

- Total Number of Apportionments: 1,853
- Total Apportioned: $5.39 billion
- Total Funds Released: $5.23 billion
- Success Rate Based on Funds Released: 98 percent

Upcoming Priority Funding Filing Periods

Certification Filing Dates	**Certifications Validity Dates**
November 12 – December 11, 2014	January 1 – June 30, 2015
May 13 – June 11, 2015	July 1 – December 31, 2015
November 11 – December 10, 2015	January 1 – June 30, 2016
May 11 – June 9, 2016	July 1 – December 31, 2016
November 8 – December 8, 2016	January 1 – June 30, 2017

Requests must have original signatures and be physically received by the OPSC prior to close of business on the last day of the filing period.

Priority Funding - New Programs

Regulatory amendments to add additional programs to those that are required to participate in the Priority Funding process became effective October 1, 2014

- Charter School Facilities Program
- Overcrowding Relief Grant
- Career Technical Education
    - Amendments maintain 12-month period from date of apportionment; enabling applicants time to acquire CDE and DSA approvals
    - To receive funding, districts must submit the DSA approved plans and specifications, final DSA plan approval letter, final CDE plan approval letter, and final cost estimate
    - Receipt of the CDE and DSA approval plans would trigger the 90-day period for a Fund Release Request (Form SAB 50-05)

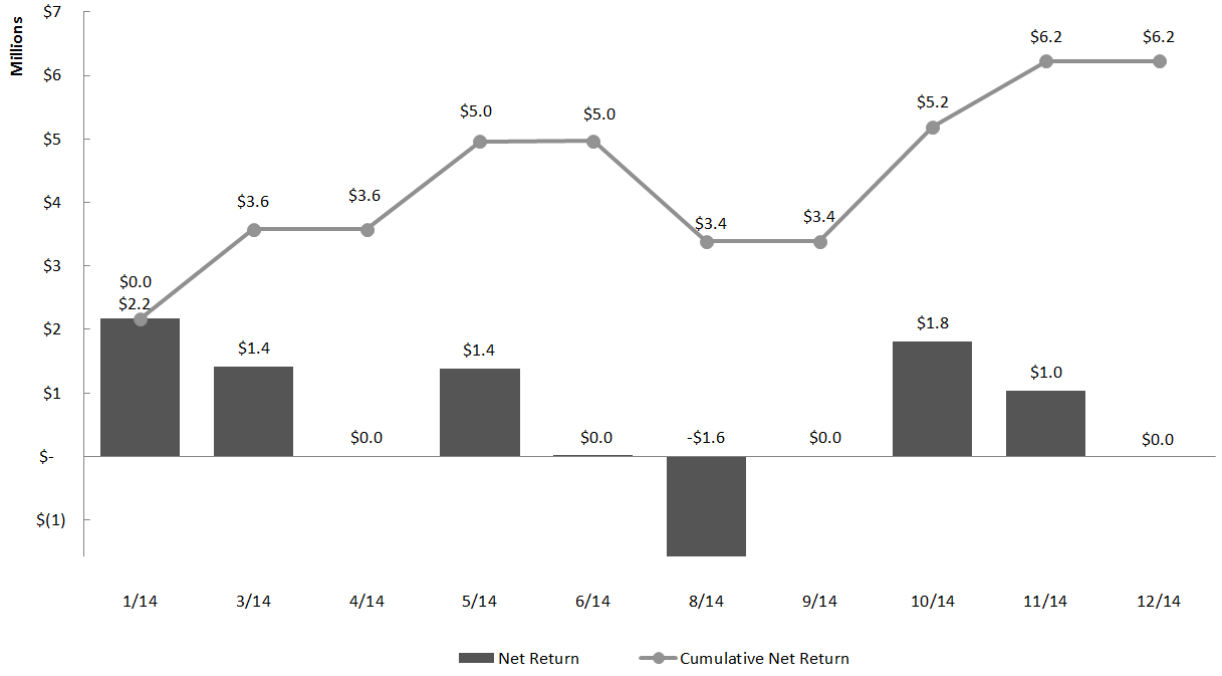
Priority Funding - Rescissions

- Beginning with the November 2014 Priority Funding filing period, Charter, Career Technical Education, and Overcrowding Relief Grant projects are subject to the Nonparticipation regulations:
    - The earliest that a project in one of these three programs could be rescinded for two occurrences of nonparticipation is June 2015.

OPSC Workload

Post-Unfunded Approval functions

- 30-day Priority Funding request filing periods
- Re-review Financial Hardship when bond sales occur or cash becomes available
- Process requests to convert unfunded approvals to apportionments
- Prepare SAB items
- After SAB apportionments, process fund release requests
- Ensure Substantial Progress is being met
- Close out projects
- Prepare regulations for SAB approval as a result of legislation
- SAB Subcommittee preparation
- School district outreach

Project Closeout Recoveries for New Construction

(SAB Meetings, January 2014 – December 2014)