

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, July 25, 2007

ADMINISTRATIVE COSTS FOR FISCAL YEAR 2007/2008

PURPOSE OF REPORT

To request approval to reserve funds for administrative costs for the 2007/2008 Fiscal Year, conditional upon the adoption of the Governor's Budget.

DESCRIPTION

The Education Code requires that any funds made available for expenditure in the various school building aid programs administered by the State Allocation Board (SAB) must be specifically authorized by the SAB.

Listed below are the anticipated costs for the 2007/2008 Fiscal Year:

2006 School Facilities Bond Fund		
Office of Public School Construction	\$	575,000
California School Finance Authority		<u>429,000</u>
Sub-Total	\$	<u>1,004,000</u>
2004 School Facilities Bond Fund		
Office of Public School Construction	\$	12,525,000
California Department of Education		2,629,000
State Controller's Office		<u>935,000</u>
California School Finance Authority		<u>566,000</u>
Sub-Total	\$	<u>16,655,000</u>
State School Building Aid Fund		
Office of Public School Construction	\$	289,000
State School Deferred Maintenance Fund		
Office of Public School Construction	\$	153,000
General Fund		
Office of Public School Construction	\$	338,000
Total for 2007/2008 Fiscal Year	\$	<u>18,439,000</u>

STAFF COMMENTS

The Office of Public School Construction's administrative costs for this budget year is \$13,880,000, which includes \$575,000 from Proposition 1D; \$12,525,000 from Proposition 55; \$289,000 for support of the State Relocatable Program; \$153,000 for support of the Deferred Maintenance Program; and, \$338,000 from the General Fund for the support of the Emergency Repair Program. Other administrative costs include \$995,000 for support of the Charter School financial soundness reviews the California School Finance Authority performs; \$2,629,000 for support of site approval and educational plan reviews that the California Department of Education performs; and, \$935,000 for fiscal oversight functions that the State Controller's Office performs.

RECOMMENDATIONS

In accordance with the proposed 2007/2008 Governor's Budget, approve the administrative costs as detailed in this item and listed below:

1. Authorize [REDACTED] from the 2006 State School Facilities Fund for the Office of Public School Construction and California School Finance Authority.
2. Authorize [REDACTED] from the 2004 State School Facilities Fund for the Office of Public School Construction, California Department of Education, State Controller's Office and California School Finance Authority.
3. Authorize \$289,000 from the State School Building Aid Fund for the Office of Public School Construction.
4. Authorize \$153,000 from the State School Deferred Maintenance Fund for the Office of Public School Construction.
5. Authorize \$338,000 from the General Fund for the Office of Public School Construction.
6. Provide that this approval is conditional upon the adoption of the 2007/2008 Governor's Budget.

This Item was approved by the State Allocation Board on July 25, 2007.