EXECUTIVE OFFICER STATEMENT
State Allocation Board Meeting, February 22, 2012

UPDATE ON PRIORITY FUNDING CERTIFICATION PERIOD

The recent 30-day Priority Funding certification filing period ended on February 9, 2012. School districts and charter schools submitted requests to be eligible to receive priority funding apportionments for projects on the unfunded approvals list. The Office of Public School Construction (OPSC) has received requests for 250 projects from 117 districts, representing approximately $768 million in unfunded approvals. Approximately $1.4 billion of unfunded approvals were eligible to participate in this filing period which represents 507 projects from 164 districts. Requests will be valid until July 10, 2012. The next 30-day PIF filing period begins on Wednesday, July 11, 2012.

Staff has identified approximately $60 million in available cash proceeds to provide apportionments to projects on the Unfunded Approvals list. Staff will bring forward these apportionments to the March Board meeting.

UPDATE ON RESULTS OF SOLAR HEARING

An informational hearing on solar energy and energy efficient project options for California schools was held on December 5, 2012. This meeting came at the request of a Board member concerned with the importance of funding and knowledge for solar energy and energy efficient projects outside the School Facility Program. The OPSC is currently working with the California Energy Commission and the Division of the State Architect to gather information concerning the variety of programs available to districts. The goal is to work with these other entities in creating a portal of online resources related to energy savings and plan future outreach events to districts. Staff will continue to provide the Board with updates as more information becomes available.

JOINT-USE PROGRAM

The Joint-Use program allows school districts to utilize funds from a joint-use partner to build a joint-use project the district would not otherwise be able to build due to lack of financial resources. Through the Joint-Use program, the Board has provided unfunded approvals and/or apportionments on a yearly basis through a funding round process. At this time, Staff will not be accepting applications for a 2012 Joint-Use funding round because there is insufficient bond authority to fund projects with applications received in 2011.

ADMINISTRATION COSTS

In the January 2012 Status of Funds Financial Report, Staff posted the transfer of School Facility Program administration costs for four budget years (08/09, 09/10, 10/11 and 11/12) from Modernization to the Overcrowded Relief Grant (ORG) Program. These costs cover the administrative expenses of the OPSC, the California Department of Education and the State Treasurer's office. This resulted in a net increase in available Modernization bond authority in the amount of $73.2 million and a commensurate decrease in ORG authority. In the prior years (02/03, 03/04, 04/05 and 05/06), costs were posted from New Construction bond authority. Beginning in 06/07, Staff began posting the administration cost to the Modernization bond authority. In 2011, Staff moved forward with posting the administrative cost to the ORG as opposed to the modernization fund due to the rapidly declining Modernization and New Construction bond authority.