



Pre-State Allocation Board Forum

December 12, 2012



Office of
Public School Construction



**California Department of
Education**



California Department of Education

**School Facilities & Transportation Services
Division**

December 12, 2012

CALIFORNIA DEPARTMENT OF EDUCATION
Tom Torlakson, State Superintendent of Public Instruction



TOM TORLAKSON
State Superintendent
of Public Instruction

California Department of Education Mission

California will provide a world-class education for all students, from early childhood to adulthood. The Department of Education serves our state by innovating and collaborating with educators, schools, parents, and community partners. Together, as a team, we prepare students to live, work, and thrive in a highly connected world.

Innovate Collaborate Serve Learn



TOM TORLAKSON
State Superintendent
of Public Instruction

Agenda

1. Implementation of Recommendations in:

“California's K-12 Educational Infrastructure Investments: Leveraging the State's Role for Quality School Facilities in Sustainable Communities”

2. Proposition 39 of 2012

3. Green Ribbon Award



TOM TORLAKSON
State Superintendent
of Public Instruction

Proposition 39 of 2012

Passed in November—will provide \$550 million annually for five years to the “Clean Energy Job Fund”

- Clean Energy
- Energy Retrofits
- Job Creation



TOM TORLAKSON
State Superintendent
of Public Instruction

Proposition 39 of 2012

Bills to watch:

Senate Bill 39 (DeLeon and Steinberg)

Assembly Bill 39 (Skinner and Perez)

Assembly Bill 29 (Williams)

Higher Education



TOM TORLAKSON
State Superintendent
of Public Instruction

Green Ribbon Schools Award Program



Office of Public School Construction

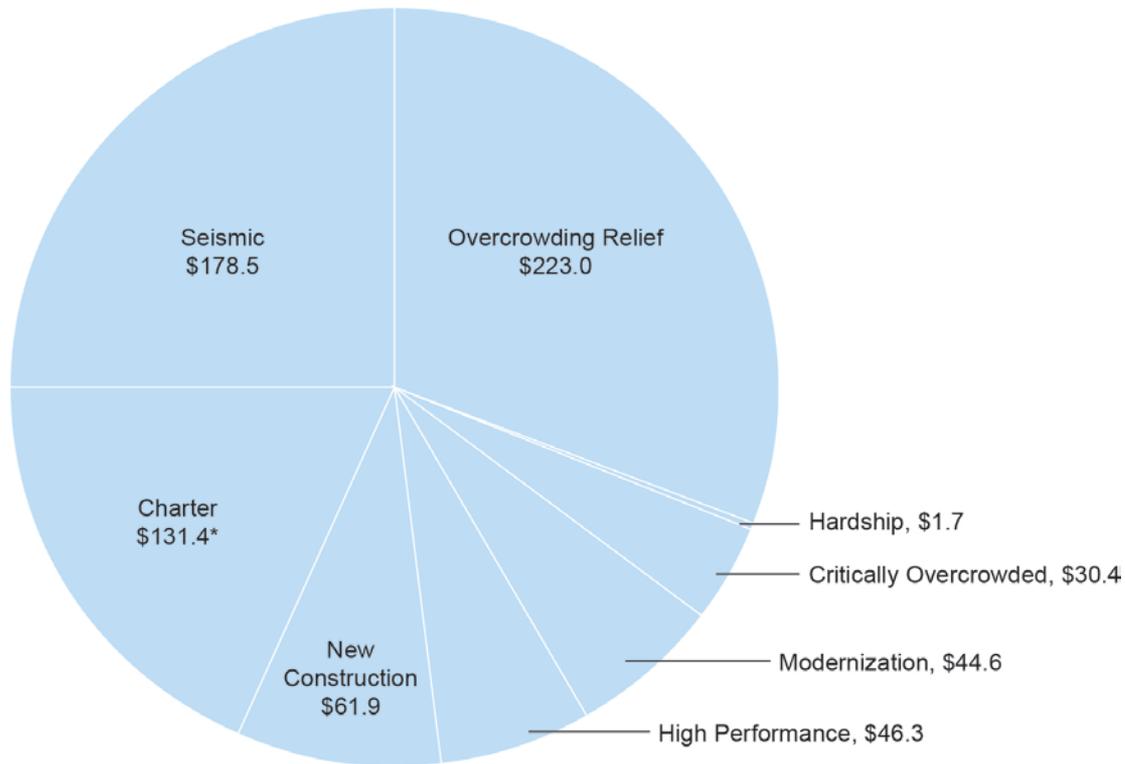
December State Allocation Board Meeting Overview

School Facility Program Funds Available

(in millions)	Sep. 2012	Oct. 2012
Oct 2012 Bond Sale	\$0.0	\$363.9
April 2012 Bond Sale	45.7	29.1
Oct 2011 Bond Sale	29.8	29.8
Nov 2010 Bond Sale	18.0	13.4
March 2010 Bond Sale	25.1	25.1
Nov/Dec 2009 Bond Sales	1.5	1.5
Oct/Nov 2009 Bond Sales	6.3	5.3
April 2009 Bond Sale	0.1	0.1
Total Funds Available	\$126.5	\$468.2

Remaining Bond Authority

\$717.8 million as of December 12, 2012 (by program, in millions)



*Charter remaining bond authority is reserved for projects awarded a Preliminary Charter School Apportionment until all projects have either converted to a Final Charter School Apportionment or have been rescinded by the State Allocation Board.

Agenda Highlights

Priorities in School Construction Funding

- To provide state Apportionments for the School Facility Program priority funding round in the amount of \$383.8 million.

Consent Agenda

- Unfunded List (Lack of AB 55 Loans)
- Unfunded List (Lack of Authority)

Reminders

- Did you know that OPSC now has its own YouTube page? Now all of the State Allocation Board, Subcommittee and Implementation Committee meetings are available for easy viewing on a variety of web-browsing devices.

www.youtube.com/OPSCYou

- As a general reminder, OPSC encourages school districts to submit electronic plans in AutoCAD format with a copy of the Division of State Architect signed stamp from the approved plans.



Labor Compliance Program

December 12, 2012

Labor Compliance Program (LCP)

Pursuant to Assembly Bill (AB) 1506, an LCP is required for all SFP projects funded from either Proposition 47 (2002) or Proposition 55 (2004), and the notice to proceed date is either on or after April 1, 2003.

- Proposition 1A (1998) and Proposition 1D (2006) are not subject to AB 1506 LCP requirements, regardless of the construction contract award date, but are required to AB 436 (CMU).
- Projects where the construction contract was awarded after January 1, 2012, are not subject to these requirements.
- LCP requirements are prescribed in Labor Code section 1771.5.

Assembly Bill (AB 1506)

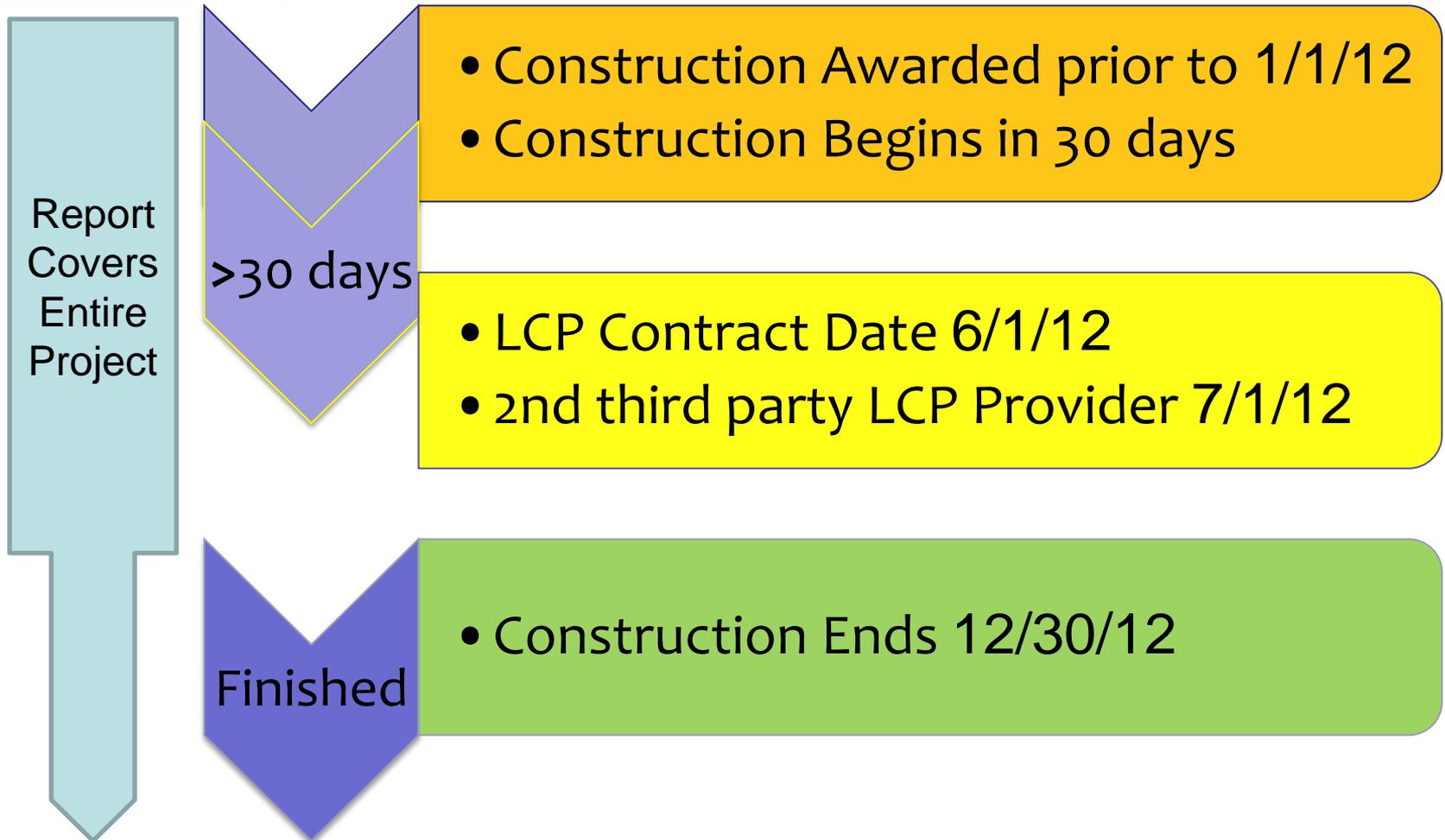
- Specifies that the State Allocation Board (SAB) cannot release funds until it receives a written finding that the school district(s) has initiated and enforced, or contracted with a third party to initiate and enforce, a Department of Industrial Relations (DIR)-approved LCP.

SAB Approved Regulatory Amendment

SAB Approved Regulatory Amendment (1859.97)

- Clarifies the LCP written finding requirement, pursuant to Labor Code section 1771.7 (d)(2)(B).
- Provides an alternative method for districts to qualify for funding in cases where the construction contract was signed prior to the district contracting with a third party LCP provider.

Report Covers Thru Project Completion



Districts Using New LCP Requirements

- Prior to January 1, 2012, when submitting an Authorization for Fund Release (Form SAB 50-05), a district must provide written verification indicating that the district or third party provider submitted an applicable LCP application to the DIR.
- Written verification indicates that the district or third party's LCP is approved by DIR and has not been revoked at the time of implementing its LCP.
- The submission of a report must be from an LCP provider that has been approved by the DIR and the approval has not been revoked as of the date of the report (1859.97(b)(3)).
- The third party provider that completes the report can not be the same third party provider with whom the district contracted to implement its LCP for the project.

Written Finding Requirement

- Required to submit report to the OPSC and DIR from a third party LCP provider which includes the following:
 1. Verification that applicable duties were performed on the project
 2. Verification that performance of the applicable LCP began within one month after commencement of construction work, as set forth in Labor Code section 1771.7
 3. Written record of the LCP's confirmation of monthly payroll records for the project pursuant to Title 8 California Code of Regulations, section 16432 subdivision C

Additional District Requirements

- Provides a notice to each worker that the district has submitted the written finding report, and workers may contact the OPSC and DIR concerning the accuracy of findings
- Report is not acceptable if DIR notifies the OPSC within 60 calendar days that it has determined the report to be incorrect
- Third party provider that completes the report can not be the same third party provider with which the district contracted to implement its LCP for the project

New PIF Requirement (1859.90.2(a)(4))

- This requirement applies on or after July 1, 2013.
- Districts must submit the third party LCP written report, pursuant to section 1859.97(b), to the OPSC and DIR at least 60 days prior to submitting the Form SAB 50-05 (prevents interference with priority funding deadlines).
- An acknowledgment on the written statement indicating the district wishes to participate in a priority funding round.

QUESTIONS?





Applications Received Beyond Bond Authority

December 12, 2012

Background

- The Office of Administrative Law approved SFP Regulation section 1859.95.1 on November 1, 2012. The regulations impact the way applications are processed by the OPSC once bond authority is no longer available to fund them.

Impacted Applications

- Applications received on or after November 1, 2012, will not be fully processed nor be approved by the SAB. OPSC will determine if the application is complete, then place the application on a new, informational list called the “Applications Received Beyond Bond Authority List” for SAB **acknowledgement.**

Application Requirements

The regulations require the following new documents:

- In addition to the supporting documents currently required with the *Application for Funding* (Form SAB 50-04), a resolution from the governing board of the school district must be included.
- Statements to be included on the resolution are listed in SFP Regulation section 1859.95.1(b)(1) through (5). A district seeking Financial Hardship funding must also include the statement in Regulation Section 1859.95.1(b)(6).

Eligibility Documents

The OPSC will review eligibility documents for completeness, but will not process them for SAB approval.

- Districts are still required to submit the *Enrollment Certification/Projection* (Form SAB 50-01) and all required documents for the year of any submitted new construction *Application for Funding* (Form SAB 50-04).
- Districts may submit an *Eligibility Determination* (Form SAB 50-03) to update modernization eligibility. The forms will not be fully processed under the new regulations.

Financial Hardship Approvals

- The new regulations suspend the requirement for FH pre-approval from the OPSC. Districts may submit a *Form SAB 50-04* that includes a request for FH apportionment.
- The school board resolution must include an additional acknowledgement that FH approval will be required before the application can be processed to the SAB.

Application Processing

	Unfunded List (Lack of AB 55 Loans)	"True" Unfunded List	"Acknowledged" List
New Construction	Applications Received Prior to July 12, 2012*	Applications Received July 13, 2012* - October 31, 2012	Applications Received on or after November 1, 2012
	Unfunded List (Lack of AB 55 Loans)	"True" Unfunded List	"Acknowledged" List
Modernization	Applications Received Prior to May 3, 2012*	Applications Received May 4, 2012* - October 31, 2012	Applications Received on or after November 1, 2012
	Unfunded List (Lack of AB 55 Loans)	"True" Unfunded List	"Acknowledged" List
	<ul style="list-style-type: none"> ▣ Fully processed by OPSC ▣ SAB approved ▣ Waiting for an Apportionment through Priority Funding round 	<ul style="list-style-type: none"> ▣ Fully processed by OPSC ▣ SAB approved ▣ 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. 	<ul style="list-style-type: none"> ▣ 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 "Acknowledged" List have no guarantee of future funding. If bond authority under the current program is sufficient to fund these projects, they could be processed to the Unfunded List (Lack of AB 55 Loans). 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. *These dates are estimated.

Unfunded List (Lack of AB 55 Loans) Sample Funding Shell

HISTORY OF PROJECT COST AND APPORTIONMENT					
	Fund Code	Proposition	Previously Authorized	Authorized This Action	Unfunded Approval This Action
State Share					
New Construction/Add. Grant	955-500	55	\$	\$ 10,188,989.00	\$ 10,188,989.00
District Share					
Cash Contribution				10,188,989.00	
Total			\$	\$ 38,377,978.00	\$ 19,188,989.00

Funding Source: Proposition 55 Bonds/2004-Mar.

Pursuant to the Board's action on March 11, 2009, this application has been approved and placed on the Unfunded List.

This approval does not constitute a guarantee or commitment of future State funding.

Assembly Bill 436 (Solorio), Chapter 378, Statutes of 2011, requires school districts to notify the Department of Industrial Relations (DIR) of School Facility Program projects with a public works contract awarded on or after January 1, 2012. Except for projects exempt pursuant to Labor Code Section 1771.3(b)(3), the DIR is required to provide prevailing wage monitoring services for the projects.

The District shall ensure that it is in compliance with all applicable laws, regulations and certifications it made on the program forms.

“True” Unfunded List Sample Funding Shell

HISTORY OF PROJECT COST AND APPORTIONMENT

	Fund Code	Previously Authorized	Authorized This Action	Unfunded Approval This Action
State Share				
Modernization/Additional Grant	112-012	\$	\$ 259,210.00	\$ 259,210.00
District Share				
Cash Contribution			172,807.00	
Total		\$	\$ 432,017.00	\$ 259,210.00

Pursuant to School Facility Program Regulation Section 1859.95 this application has been approved and placed on the Unfunded List.

This approval does not constitute a guarantee or commitment of future State funding and should not be relied on in any manner as any kind of representation or indication of future State funding. The State cautions any kind of reliance on the fact that an application is placed on this list.

Assembly Bill 438 (Solorio), Chapter 378, Statutes of 2011, requires school districts to notify the Department of Industrial Relations (DIR) of School Facility Program projects with a public works contract awarded on or after January 1, 2012. Except for projects exempt pursuant to Labor Code Section 1771.3(b)(3), the DIR is required to provide prevailing wage monitoring services for the projects.

The District shall ensure that it is in compliance with all applicable laws, regulations and certifications it made on the program forms.

OPSC Website

The OPSC website has a dedicated web page, <http://www.dgs.ca.gov/opsc/Home/ApplicationsReceivedBeyondBondAuthority.aspx> **Applications Received Beyond Bond Authority**, that has further information on the new regulations that includes:

- Timeline showing which list a funding application will be placed on
- Sample school board resolution
- Frequently Asked Questions
- Outreach Plan

QUESTIONS?





State Allocation Board Implementation Committee

Meeting of November 8, 2012

Implementation Committee

Project Information Worksheet

- Adding Modernization projects to PIW
- Final Implementation Committee review
- OPSC brings updated documents
- Draft PIW with proposed Project Information section for Modernization
- Draft Instructions

Implementation Committee

PROJECT INFORMATION WORKSHEET
(Rev 5/2010/11/2012)

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES
STATE ALLOCATION BOARD

PROJECT INFORMATION - MODERNIZATION

School Type Total Teaching Stations on Site Total Pupils Served on Site

TYPE OF WORK	COMPONENT HARD COST AMOUNT	
	FIRST SUBMITTAL	SECOND SUBMITTAL
<input type="checkbox"/> Building Replacement	\$	\$
<input type="checkbox"/> Hazardous Materials Abatement	\$	\$
<input type="checkbox"/> Sitework	\$	\$
<input type="checkbox"/> Structural/Seismic Upgrades	\$	\$
<input type="checkbox"/> Roofing	\$	\$
<input type="checkbox"/> Site Infrastructure	\$	\$
<input type="checkbox"/> Building Interior (Wall Systems, Flooring, Casework)	\$	\$
<input type="checkbox"/> Building Exterior (Wall Systems, Windows, Doors)	\$	\$
<input type="checkbox"/> HVAC	\$	\$
<input type="checkbox"/> Plumbing	\$	\$
<input type="checkbox"/> Technology Upgrades	\$	\$
<input type="checkbox"/> Renewable Energy Systems	\$	\$
<input type="checkbox"/> Electrical	\$	\$
<input type="checkbox"/> Access Compliance/ADA	\$	\$
<input type="checkbox"/> Other (please specify)	\$	\$
Total:	\$	\$

Facilities Modernized <i>(Check all that apply)</i>	
FACILITY	NUMBER
<input type="checkbox"/> Classrooms	
<input type="checkbox"/> Administration/Support	
<input type="checkbox"/> Gym/Shower Locker Room	
<input type="checkbox"/> Multi-Purpose Room/Cafeteria	
<input type="checkbox"/> Cafeteria - Stand Alone	
<input type="checkbox"/> Kitchen	
<input type="checkbox"/> Library	
<input type="checkbox"/> Performing Arts Facility	
<input type="checkbox"/> Restroom(s)	
<input type="checkbox"/> Play/Athletic Field	
<input type="checkbox"/> Playground/Hardcourt/Turf	
<input type="checkbox"/> Track	
<input type="checkbox"/> Swimming Pool	
<input type="checkbox"/> Stadium	
<input type="checkbox"/> Parking Drop-off	
<input type="checkbox"/> Parking Structure	
<input type="checkbox"/> Other (Explain)	

Total Square Feet Modernized All Facilities
Permanent:
Modular:
Portable:
Total:

Total Modernization Cost (Per Square Foot)	
FIRST SUBMITTAL	SECOND SUBMITTAL
\$	\$

Implementation Committee

Project Information Worksheet

- Input from committee
 - Still concerns on providing square footage data
 - Some comments on specific facilities
Modernized
- Next steps: Review with SAB Program Review Subcommittee

Implementation Committee

- Schedule of proposed Implementation Committee meetings presented by OPSC
 - 2nd Friday of each month
 - Pending assignments from the SAB
 - Next meeting tentatively scheduled for January 11, 2013