State of California
State Allocation Board
School Facility Program

This Resolution of the State Allocation Board (hereafter referred to as the "Board") is applicable to the appropriate sections of the Education Code and is described and filed in the office of the Executive Officer and will be made available to all interested parties as the Resolution pertains to the documents attached hereto. Said documents were acted upon by the Board at its meeting on June 25, 2014.

WHEREAS, the Board has previously approved or determined to be approvable a number of projects for construction or modernization eligibility of facilities for school districts and is making apportionments and/or unfunded approvals for the grant amounts for projects that meet the Board's criteria for the apportionment of grants pursuant to Education Code Sections 17072.10, 17078.52, 17078.70, 17079 or 17074.10 or Board Regulations 1859.81.1 or 1859.83;

WHEREAS, Treasury Regulations Section 1.150-2 require the State (on whose behalf the Board is acting) to declare its reasonable intent to provide grant funding to school districts, in accordance with Board policy and law, for costs of the projects with proceeds of State bonds;

NOW THEREFORE, BE IT RESOLVED:

1. This Resolution is adopted by the Board for the purposes of establishing compliance with Treasury Regulations Section 1.150-2, and this Resolution does not bind the Board to make any additional apportionment, or bind the State to incur any indebtedness.

2. The Board anticipates that some or all of the school districts listed on the list of "Projects" referred to in this Resolution will pay certain capital expenditures in connection with some or all of the project costs prior to the issuance of bonds by the State to pay for the grants for the projects. The reimbursement of such costs is consistent with the State's budgetary and financial circumstances, and in accordance with Board policy, as no other funds or accounts of the State have been budgeted or are available to pay the costs of the projects on either a short-term or a long-term basis.

3. The Board, acting on behalf of the State, hereby declares that it is the State's official intent to use proceeds of general obligation bonds that may become available for such purpose, consistent with the requirements of law that are in effect at the time the funds are available, to provide grants in accordance with applicable laws and regulations.

4. This Resolution shall be continuously available for inspection by the general public during normal business hours at the offices of the Board at 707 3rd Street, West Sacramento, California, commencing within one week after the date of enactment of this Resolution.

5. Any eligibility determination does not constitute a commitment of future funding by the Board.

I, the undersigned, duly authorized as the Executive Officer of the State Allocation Board, do hereby certify the foregoing to be true and correct, and that this Resolution was adopted at a meeting of said Board on June 25, 2014 at Sacramento, California.

Lisa Silverman
Executive Officer
State Allocation Board

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, June 25, 2014

SCHOOL FACILITY PROGRAM

PURPOSE OF REPORT

To adjust the baseline eligibility for new construction and modernization projects under the Leroy F. Greene School Facilities Act of 1998.

DESCRIPTION

The districts listed on Attachment A have received eligibility approval for new construction. There has been a change in their baseline in accordance with the California Code of Regulations relating to the Leroy F. Greene School Facilities Act of 1998, Section 1859.51.

The districts listed on Attachment B have received eligibility approval for modernization. There has been a change in their baseline in accordance with the California Code of Regulations relating to the Leroy F. Greene School Facilities Act of 1998, Section 1859.61.

RECOMMENDATIONS

1. Approve an adjustment to the new construction eligibility baseline determination as shown on Attachment A.

2. Approve an adjustment to the modernization eligibility baseline determination as shown on Attachment B.

3. Provide that this approval of adjusted eligibility determination does not constitute a commitment for future funding by the State Allocation Board.

KEY TO ADJUSTMENTS: **NEW CONSTRUCTION ONLY:**

(a) Reduced by the number of pupils provided grants in a new construction School Facility Program (SFP) project and by the number of pupils that received a Preliminary Apportionment pursuant to Section 1859.140 or a Preliminary Charter School Apportionment pursuant to Regulation Section 1859.162.2.

(b) Reduced by the number of pupils housed, based on the loading standards pursuant to Ed. Code Section 17071.25(a)(2)(A), in a new construction LPP project funded under the provisions of the LPP pursuant to Regulation Section 1859.12 or 1859.13.

(c) Reduced by the number of pupils housed in additional classrooms constructed or purchased based on the loading standards, pursuant to Ed. Code Section 17071.25(a)(2)(A), in a modernization SFP project.

(d) Adjusted as a result of audit findings made pursuant to Regulation Sections 1859.90 and 1859.105.

(e) Increased/decreased by changes in projected enrollment in subsequent enrollment reporting years, except as provided in (j) below.

(f) Adjusted as a result of errors or omissions by the district or by the Office of Public School Construction (OPSC).

(g) Adjusted as result of amendments to the SFP Regulations that affect the eligibility.

(h) Increased by the number of pupils eligible for grants pursuant to Regulation Section 1859.82(a).

(i) Reduced by the number of pupils housed in classrooms provided after the baseline eligibility was determined by the State Allocation Board, with 12 exceptions at Regulation Section 1859.51(i).

(j) For Small School Districts, following a 3-year period after the district's eligibility was approved by the Board, decreased by any reduction in projected enrollment, and by any increase in pupils in the latest CDE operational grant report per Ed. Code Sec. 42268.

(k) Adjusted for any changes in classroom inventory as a result of a reorganization election.

(l) For classroom loading standards adopted by the Board for non-severely and severely disabled individuals with exceptional needs.

(m) As directed by the SAB due to finding a Material Inaccuracy pursuant to Section 1859.104.1.

(n) Increased by the number of pupils that received a Preliminary Apportionment that was rescinded pursuant to Section 1859.148 or a Preliminary Charter School Apportionment that was rescinded pursuant to Section 1859.166.

(o) Adjusted for operational grant changes as determined/provided by the California Department of Education.

(p) For High School Attendance Area (HSAA) districts with Preliminary Apportionments within the 2002 or 2004 Critically Overcrowded School Facilities Account, adjusted in accordance with Regulation Section 1859.51(p)(1), (2), or (3).

(q) Adjusted by the difference between the Alternative Enrollment Projection for the current enrollment reporting year and the projected enrollment determined pursuant to Section 1859.42 for the current enrollment reporting year, or by the eligibility remaining from this calculation that can no longer be utilized if the funds made available pursuant to EC Section 17071.75(a)(1)(A) have been exhausted.

(r) Adjusted per Ed. Code Sec. 17071.75(b)(2) by the number of pupils housed, based on the loading standards per Ed. Code Sec. 17071.25(a)(2)(A), in any classroom(s) where title was relinquished to the School District receiving the transferred classrooms.

MODERNIZATION ONLY:

(a) Reduced by the number of pupils provided grants in a modernization SFP project or CSFP Rehabilitation project at the specific site.

(b) Reduced by the number of pupils housed, based on the loading standard pursuant to EC Section 17071.25(a)(2), in a modernization LPP project funded under the LPP pursuant to Regulation Section 1859.14 and 1859.15.

(c) Increased by changes in projected enrollment in subsequent enrollment reporting years.

(d) (1) Increased for additional facilities not previously modernized with State funds, that become 25 years old, if permanent, or 20 years old, if portable or, (2) as a result of audit findings made pursuant to Regulation Sections 1859.90 and 1859.105.

(e) Adjusted as a result of errors or omissions by the district or by the OPSC.

(f) Adjusted as result of amendments to the Subgroup 5.5 Regulations that affect the eligibility.

(g) For classroom loading standards adopted by the Board for non-severely and severely disabled individuals with exceptional needs.

(h) As directed by the SAB due to finding a Material Inaccuracy pursuant to Regulation Section 1859.104.1.

(i) Increased for facilities previously modernized with State funds, which qualify for an additional modernization apportionment pursuant to Regulation Section 1859.78.8.

(j) Adjusted as a result of the Reconfiguration of an existing high school under the Small High School Program.

(k) Decreased for facilities that were deemed eligible for modernization pursuant to Regulation Sections 1859.60 and 1859.61(d) and subsequently replaced, or will be replaced under a signed contract for construction or acquisition of facilities, in a project funded by the district without participation from the State.

(l) Adjusted as a result of replaced eligible portables funded with the Overcrowding Relief Grant, per Ed. Code Section 17079 et seq.

(m) Adjusted as a result of classrooms demolished and replaced pursuant to Regulation Section 1859.82.

ATTACHMENT A

District	Attendance Area	County	App. Number 50	Type of Adj.	K-6	7-8	9-12	Non-Severe	Severe
Dehesa Elementary	Districtwide	San Diego	68049-00-00						
Current Baseline Eligibility					359	59	0	0	0
Adjustment Per This Item				f	-175	-82	0	0	0
Net Baseline Eligibility					184	-23	0	0	0

SCHOOL DISTRICT DATA

Application Number:……...50/72157-00-003 School District:…..……..Strathmore Union Elementary

County:……..……..……..Tulare School Name:…..……Strathmore Elementary

Financial Hardship:……Yes Date of Financial Hardship Status:…....September 9, 2006

Qualifying Financial Hardship Criteria: SFP Regulation 1859.81(c)(1)

PURPOSE OF REPORT

To recommend accounting revisions to close out a completed project.

DESCRIPTION

A review of expenditures reported by the District has been made and the revisions indicated are necessary to close out this completed project. This is a Financial Hardship project and has savings in the amount of $541. School Facility Program Regulation Section 1859.103 states that "the State's portion of any savings declared by the district or determined by the OPSC by audit must be used to reduce the SFP financial hardship grant of that project … any interest earned on a financial hardship project not expended on eligible project expenditures will be treated as savings and will be used to reduce the SFP financial hardship grant for that project." The District has concurred with the findings and agrees to return the State funds in the amount of $541.

Detail of Final Cost & Financing

Budget Item	Currently Approved	Required Change	Revised Approval
SFP New Construction	$ 169,701	$ (271)	$ 169,430
SFP Service Site	1,172	0	1,172
SFP Utilities	21,003	0	21,003
SFP Small School	20,364	0	20,364
SFP Financal Hardship	220,450	(270)	220,180
SFP Fire Detection/Alarm	210	0	210
SFP Labor Compliance Program	8,000	0	8,000
Total State Apportionment	$ 440,900	$ (541)	$ 440,359
Financing			
State (SFP)	$ 220,450	$ (271)	$ 220,179
Financial Hardship (SFP)	220,450	(270)	220,180
Total Project Costs	$ 440,900	$ (541)	$ 440,359

RECOMMENDATIONS

1. Approve a decrease of $541 in the total project cost from $440,900 to $440,359.
2. Approve a decrease of $271 in the State Apportionment [Bonds/2004-Mar.; 055-500] from $220,450 to $220,179.
3. Approve a decrease of $270 in the Financial Hardship Contribution [Bonds/2004-Mar.; 055-500] from $220,450 to $220,180.
4. Require the District to return State funds in the amount of $541.

SCHOOL DISTRICT DATA

Application Number:……...59/66928-00-001
School District:…..……..….Roseville Joint Union High
County:……..……..……Placer
School Name:…..……Roseville High
Financial Hardship:……..……No

PURPOSE OF REPORT

To recommend accounting revisions to close out a completed project.

DESCRIPTION

A review of expenditures reported by the District has been made and the revisions indicated are necessary to close out this completed project. This is a Career Technical Education Facilities Program project and has savings in the amount of $67,187. SFP Regulation Section 1859.199 states that "An applicant district may not retain savings realized by a Career Technical Education Facilities Project." The District has concurred with the findings and has already returned State funds in the amount of $67,187.

Detail of Final Cost & Financing

Budget Item	Currently Approved	Required Change	Revised Approval
SFP Modernization	$ 671,412	$ (67,187)	$ 604,225
SFP CTE Equipment	57,530	0	57,530
Total State Apportionment	$ 728,942	$ (67,187)	$ 661,755
Financing			
State (SFP)	$ 728,942	$ (67,187)	$ 661,755
District Contribution	728,942	(67,187)	661,755
Total Project Costs	$ 1,457,884	$ (134,374)	$ 1,323,510

RECOMMENDATIONS

1. Approve a decrease of $134,374 in the total project cost from $1,457,884 to $1,323,510.
2. Approve a decrease of $67,187 in the State Apportionment [Bonds/2006-Nov.; 057-600] from $728,942 to $661,755.
3. Approve a decrease of $67,187 in the District Contribution [Bonds/2006-Nov.; 057-600] from $728,942 to $661,755.
4. Recognize the District has already returned State funds in the amount of $67,187.

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, June 25, 2014

SCHOOL FACILITY PROGRAM
SUBSTANTIAL PROGRESS REDUCTION TO COSTS INCURRED

PURPOSE OF REPORT

To present School Facility Program (SFP) project apportionments to be reduced to eligible costs incurred.

DESCRIPTION

The SFP project listed on the Attachment received an adjusted grant apportionment. The District requested to have their project reduced to costs incurred and have indicated that they will be unable to move forward with the SFP project listed on the Attachment. The district has requested that the apportionment be reduced to costs incurred to recognize eligible costs for the adjusted grant phase.

AUTHORITY

Pursuant to Education Code Section 17076.10(b), sufficient evidence of substantial progress for the separate design and adjusted grant apportionments shall be due 18 months from the date any funds were released to the district. The SFP Regulation Section 1859.105 requires that when an apportionment is reduced to project costs incurred or rescinded, all State funds not used to finance eligible expenditures are to be returned to the State Allocation Board (Board). The SFP Regulations also stipulate that interest earned on State funds, which is not used to finance eligible expenditures, is due to the Board.

RECOMMENDATIONS

1. Find that the District is unable to meet the substantial progress requirements and indicated that they will be unable to move forward with the project listed on the Attachment.
2. Reduce the State apportionments to costs incurred for the project listed on the Attachment.

ATTACHMENT
SCHOOL FACILITY PROGRAM
SUBSTANTIAL PROGRESS REDUCTION TO COSTS INCURRED
State Allocation Board Meeting, June 25, 2014

		Pupil Grant Adjustments			Grant Adjustments			
		Original Pupils Assigned to Apportionment		Pupils Returned to the District's Baseline				
	District/ County/ Application Number	Type of Pupils	Number of Pupils	Number of Pupils	Original Apportionment	Interest	Amount of Eligible Expenditures	Reduction in Apportionment
Adjusted Grant	Livermore Valley Joint Unified Alameda 55/61200-00-001	N/A	N/A	N/A	$3,000,000	$29,390	$215,904	$2,813,486
							TOTAL	$2,813,486

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, June 25, 2014

SCHOOL FACILITY PROGRAM
CAREER TECHNICAL EDUCATION FACILITIES PROGRAM RESCISSION

PURPOSE OF REPORT

To present a rescission under the School Facility Program (SFP) Career Technical Education Facilities Program (CTEFP).

DESCRIPTION

The Ceres Unified School District requests to rescind its Ceres High project as shown on the Attachment. This application received an unfunded approval at the October 6, 2010 State Allocation Board meeting. No State funds were released on this project.

AUTHORITY

SFP Regulation Section 1859.198 states that "any Career Technical Education Facilities Project funds returned due to projects being rescinded or reduced to costs incurred shall be made available for apportionment in subsequent funding cycles."

STAFF ANALYSIS/STATEMENTS

The District is requesting to rescind their project because it is unable to provide the matching funds.

RECOMMENDATION

Approve the rescission of Application Number 59/71043-00-003 for the Ceres Unified School District as shown on the Attachment.

ATTACHMENT

SAB Meeting: **June 25, 2014** **Career Technical Educational Facilities Program - Rescission**

APPLICANT DATA

Application No:	59/71043-00-003	**Site Name:**	Ceres High
County:	Stanislaus	**Industry Sector:**	Manufacturing and Product Dev
Applicant:	Ceres Unified	**Pathway:**	Machine and Forming Technology

PROJECT DATA

Type of Project:	Modernization
Reservation of Funds:	Y
Loan Requested:	N
Qualifying SFP Project:	n/a
Number of CTE Classrooms:	2
SFP Classroom Allowance Deduction:	n/a

GRANT DATA

Eligible Project Costs (50%)		
Construction:	$	928,732.00
Equipment:		272,568.00
Site Development:		-
Prevailing Wage Monitoring		$1,502.00
SFP Deduction:		0.00
Total State Share (50%)		1,202,802.00
District Share (50%)		1,202,802.00
Total Project Costs	**$**	**2,405,604.00**

PROJECT FINANCING

	Fund Code	Proposition	Previously Authorized	Authorized This Action	Unfunded Approval This Action
State Share (50%)					
This Project	**957-600**	**1D**	$ 1,202,802.00	$ **(1,202,802.00)**	$ (1,202,802.00)
District Share (50%)					
Cash Contribution			1,202,802.00	**(1,202,802.00)**	
Total Project Cost			$ **2,405,604.00**	$ **(2,405,604.00)**	$ (1,202,802.00)

Funding Source: Proposition 1D Bonds/2006-Nov.

The District has requested to decline the unfunded approval that was approved at the October 6, 2010 SAB meeting. No State funds have been released.

The unfunded approval is being rescinded and any bond authority associated with the project is being returned to the CTEFP fund.

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

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, June 25, 2014

SURPLUS SITE SALE PROCEEDS

PURPOSE OF REPORT

To present the Walnut Valley Unified School District's (District) request to deposit proceeds from the sale of surplus real property (Site D), which was purchased with local funds, into the District's General Fund.

DESCRIPTION

The District is requesting State Allocation Board approval for the transfer of surplus real property sale proceeds into its General Fund for one-time expenditures as identified on Attachment A. The District requests this approval under the authority of Education Code (EC) Section 17463.7.

AUTHORITY

See Attachment B.

BACKGROUND

EC Section 17463.7 eliminates the ten-year lockout from the School Facility Program imposed under EC Section 17462 if the surplus property was purchased entirely with local funds.
EC Section 17463.7 authorizes the use of surplus real estate sale proceeds for one-time general fund purposes as long as the costs are not related to a school district's on-going operations. The school district must also present a plan to its local governing board regarding the one-time expenditures and explain why these expenditures will not result in on-going fiscal obligations for the school district.

Under EC Section 17463.7, school districts are ineligible for hardship funding under the Deferred Maintenance Program for a period of five years after the proceeds are deposited into the General Fund. In addition, a school district's financial hardship assistance shall be reduced by an amount equal to that of a school district's one-time expenditure(s). A school district must certify the following:

- that it has no major deferred maintenance needs;
- that the site sale does not violate local bond restrictions; and
- that the real property is not suitable to meet projected school construction needs for the next ten years.

STAFF ANALYSIS/STATEMENTS

The District has submitted all required documents to support their request.

RECOMMENDATIONS

1. Approve the request to transfer surplus real property to the District's General Fund as identified on Attachment A.

2. Accept the District's governing board certifications as outlined in the narrative.

ATTACHMENT A

SURPLUS SITE SALE PROCEEDS
State Allocation Board Meeting, June 25, 2014

Walnut Valley Unified School District 50/73460-00-000

The table shown below provides a breakdown of sale proceeds for the District:

Sale proceeds		$36,000,000
General Fund purpose	Less	$23,400,000
Remaining Balance to Special Reserve for Capital Outlay Fund (Fund 40)		$ 7,600,000
Transfer to Deferred Maintenance Fund		$ 5,000,000

The District must submit a separate request, pursuant to Education Code Section 17463.7 if at any time all or any portion(s) of the General Fund Reserve of $7,400,000 will be expended for one-time only General Fund purposes in the future.

Breakdown of General Fund purpose:

General Fund Reserve	$7,400,000
Restoration of furlough days	$3,200,000
Supplemental Employee Retirement Fund	$3,000,000
Professional Development	$1,000,000
Other Post Retirement Benefits	$8,800.000
	$23,400,000

ATTACHMENT B

Authority

California Education Code Section 17463.7:

(a) Notwithstanding any other law, a school district may deposit the proceeds from the sale of surplus real property, together with any personal property located on the property, purchased entirely with local funds, into the general fund of the school district and may use the proceeds for any one-time general fund purpose. If the purchase of the property was made using the proceeds of a local general obligation bond or revenue derived from developer fees, the amount of the proceeds of the transaction that may be deposited into the general fund of the school district may not exceed the percentage computed by the difference between the purchase price of the property and the proceeds from the transaction, divided by the amount of the proceeds of the transaction. For purposes of this section, proceeds of the transaction means either of the following, as appropriate:

(1) The amount realized from the sale of property after reasonable expenses related to the sale.

(2) For a transaction that does not result in a lump-sum payment of the proceeds of the transaction, the proceeds of the transaction shall be calculated as the net present value of the future cashflow generated by the transaction.

(b) The State Allocation Board shall reduce an apportionment of hardship assistance awarded to the particular school district pursuant to Article 8 (commencing with Section 17075.10) by an amount equal to the amount of the sale of surplus real property used for a one-time expenditure of the school district pursuant to this section.

(c) If the school district exercises the authority granted pursuant to this section, the district is ineligible for hardship funding from the State School Deferred Maintenance Fund under Section 17587 for five years after the date proceeds are deposited into the general fund pursuant to this section.

(d) Before a school district exercises the authority granted pursuant to this section, the governing board of the school district shall first submit to the State Allocation Board documents certifying the following:

(1) The school district has no major deferred maintenance requirements not covered by existing capital outlay resources.

(2) The sale of real property pursuant to this section does not violate the provisions of a local bond act.

(3) The real property is not suitable to meet projected school construction needs for the next 10 years.

(e) Before the school district exercises the authority granted pursuant to this section, the governing board of the school district at a regularly scheduled meeting shall present a plan for expending one-time resources pursuant to this section. The plan shall identify the source and use of the funds and describe the reasons why the expenditure will not result in ongoing fiscal obligations for the school district.

(f) The Office of Public School Construction shall submit an interim and a final report to the State Allocation Board and the budget, education policy, and fiscal committees of the Legislature that identifies the school districts that have exercised the authority granted by this section, the amount of proceeds involved, and the purposes for which those proceeds were used. The interim report shall be submitted by January 1, 2011, and the final report by January 1, 2015.

(g) This section shall remain in effect only until January 1, 2016 and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2016, deletes or extends that date.

ATTACHMENT B

Authority

California Code of Regulations, Title 2, Section 1700:
For the purpose of the provisions of Education Code Section 17462, the terms set forth below shall have the following meanings, subject to the provisions of the Act:

"One-time Expenditures" means costs paid by the general funds of a school district that are nonrecurring in nature and do not commit the school district to incur costs in the future, and are exclusive of Ongoing Expenditures.

"Ongoing Expenditures" means costs paid by the general or special funds of a school district in support of employee salaries, benefits and other costs that are associated with ongoing and sustained operations and services except, if approved by the State Allocation Board, a single and one-time payment reducing a district's existing unfunded liability for postemployment benefits other than pensions will be considered a one-time expenditure and not an ongoing expenditure if the following conditions are also met: (1) the unfunded liability was incurred prior to January 1, 2007, (2) the unfunded liability has been determined using actuarial measurement methods as defined in Governmental Accounting Standards Board Statement 45, and (3) the payment is consistent with any plan made by the district according to Assembly Bill 1802, Chapter 79, Section 43(a)(6)(A), Statutes of 2006 (Committee on Budget), as amended by Senate Bill 1131, Chapter 371, Statutes of 2006 (Committee on Budget and Fiscal Review), or a similar plan adopted by the district's governing board.

Non-Conforming Buildings

(Continued Use)

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, June 25, 2014

EXEMPTION FOR INDEPENDENT STUDY FACILITIES

PURPOSE OF REPORT

To present the Los Banos Unified School District's (District) request, as shown on the Attachment, for an exemption from the definition of "School Buildings" for certain facilities used for independent study.

DESCRIPTION

The District operates independent study programs at facilities that are not located at regular school sites and is requesting an exemption from the definition of "School Buildings," as described in Education Code (EC) Section 17283, for the facility.

Senate Bill 1563, Chapter 1089, Statutes of 1989 authorizes any school district or county office of education to request an exemption from the State Allocation Board (Board) for a building or structure or portion of a building or structure used for independent study from the definition of "School Building." These buildings do not have to meet the Field Act requirements but must comply with local health and safety standards.

The District has certified that it has satisfied the legal requirements under EC Section 17289 for the exemption.

AUTHORITY

EC Section 17283 states: "School Building" as used in this article means and includes any building used, or designed to be used, for elementary or secondary school purposes and constructed, reconstructed, altered, or added to, by the state or any city or city and county, or by any political subdivision or by any school district of any kind within the state, or by any regional occupational center or program created by or authorized to act by an agreement under joint exercise of power, or by the United States government, or any agency thereof."

EC Section 17289 states "In order to provide alternative, community-based educational opportunities through independent study, any school district or county office of education may request an exemption from the State Allocation Board for a building or structure, or portion of a building or structure, from the definition of "school buildings" within the meaning of Section 17283. The exemptions may be granted for no longer than two years and exemptions are renewable. An exemption may only be granted if the school district or county office of education demonstrates to the satisfaction of the State Allocation Board all of the following:

(Continued on Page Two)

AUTHORITY (cont.)

(a) The building or structure, or portion of building or structure, satisfies all of the following:
(1) It is not located on a regular schoolsite.
(2) It complies with all applicable local building standards and all relevant local health and safety standards in the community in which it is located.
(3) It is used for independent study.
(4) It serves fewer than 25 pupils enrolled in kindergarten or any of the grades 1 to 12, inclusive, at any one time in the building or structure, or in a portion of a building or structure where the remainder of the building or structure is not used for instructional purposes.
(b) The use of the building or structure is critical to providing an effective alternative, community-based program.
(c) The use of other buildings or structures that would meet seismic safety standards for school facilities is not practical."

STAFF ANALYSIS/STATEMENTS

The District has provided certification that it has met the criteria as stated in EC Section 17289. An exemption has been requested for 21 months.

RECOMMENDATION

Approve the District's request for an exemption from the definition of "School Buildings" for the sites listed on the Attachment from April 11, 2014 through December 31, 2015.

ATTACHMENT

EXEMPTION FOR INDEPENDENT STUDY FACILITIES

Los Banos Unified School District – 91/65755-00-000

Site	I.D. No.
265 Mercey Springs Rd., Suite G Los Banos, CA 93635	24-65755-0119073

Facility Hardship / Rehabilitation Program

SCHOOL DISTRICT DATA	
School District: ……..…CENTINELA VALLEY UNION HIGH	County:…….……..…LOS ANGELES
Application Number:…….…… 58/64352-00-002	School Name:……...…...HAWTHORNE HIGH
Total District Enrollment:…….……..6,637	Project Grade Level:……...…….……...9-12
Financial Hardship:……...…….……...……...……NO	

PURPOSE OF REPORT

Type of Request	State Allocation Board (Board) approval for placement on the Unfunded List (Lack of AB 55 Loans) for a School Facility Program (SFP) Facility Hardship Seismic Mitigation Program (SMP) rehabilitation project.
Total Project Cost	$ 864,378
Cost to the State	$ 432,189

DESCRIPTION

Description of Health and Safety Threat	Buildings 2, 4, 6, 7, 10, 20 and 22 at Hawthorne High School in Hawthorne, California, were of the Most Vulnerable Category 2 building type. These seven single-story clay masonry buildings were originally constructed between 1950 and 1956. The Division of the State Architect (DSA) has concurred with the presence of the threat of a local or global collapse of the facility in the event of seismic activity, as outlined in the Eligibility Evaluation Report filed by the District's structural engineer.
Scope of Project	The project scope entails the demolition and replacement of all seven structures. Because the total cost for the minimum work required to rehabilitate the buildings is less than 50 percent of the cost to replace them, the District is applying for funding for the estimated costs of rehabilitation. This application shares DSA-approved construction plans which include other buildings on the campus. On October 31, 2012, the District submitted an application for modernization funding for like-kind replacement of other buildings included in the plans. This modernization application received an unfunded approval at the June 26, 2013 Board meeting and is on the Unfunded List pursuant to SFP Regulation Section 1859.95.
Status of School Site	Buildings 2, 4, 6, 7, 10, 20 and 22 have been vacated and demolished, and the District is housing the students in interim housing while the new buildings are under construction.

QUALIFYING CRITERIA

Government/State Level Concurrence	DSA has approved Buildings 2, 4, 6, 7, 10, 20 and 22 for SMP eligibility, has evaluated and approved the planned seismic mitigation work, and has issued plan approval.

(Continued on Page Two)

Site Visit Completed by Staff	Staff has accepted reports by the industry specialist and DSA approval in lieu of a site visit.
Staff Supports the District's Request	Yes

AUTHORITY

See Attachment A.

RECOMMENDATIONS

1. Approve the District's request for placement on the Unfunded List (Lack of AB 55 Loans) for SMP rehabilitation funding for Buildings 2, 4, 6, 7, 10, 20 and 22 on the Hawthorne High School site, pursuant to the SFP Regulation Section 1859.82, as provided on Attachment B.

2. Provide that the State portion of any and all savings which may be realized from the funding of this SMP project must be returned to the State.

ATTACHMENT A

AUTHORITY

Education Code (EC) Section 17075.10(a) states:

> A school district may apply for hardship assistance in cases of extraordinary circumstances. Extraordinary circumstances may include, but are not limited to, the need to repair, reconstruct, or replace the most vulnerable school facilities that are identified as a Category 2 building, as defined in the report submitted pursuant to Section 17317, determined by the department to pose an unacceptable risk of injury to its occupants in the event of a seismic event.

EC Section 17075.10(b)(2) states:

> Funds for the purpose of seismic mitigation work or facility replacement pursuant to this section shall be allocated by the board on a 50-percent state share basis from funds reserved for that purpose in any bond approved by the voters after January 1, 2006. If the board determines that the seismic mitigation work of a school building would require funding that is greater than 50 percent of the funds required to construct a new facility, the school district shall be eligible for funding to construct a new facility under this chapter.

SFP Regulation Section 1859.82 states, "A district is eligible for facility hardship funding to replace or construct new classrooms and related facilities if the district demonstrates there is an unmet need for pupil housing or the condition of the facilities, or the lack of facilities, is a threat to the health and safety of the pupils."

SFP Regulation Section 1859.82(a)(1) provides for Facility Hardship grant funding when, "The facilities are needed to ensure the health and safety of the pupils if the district can demonstrate to the satisfaction of the Board that the health and safety of the pupils is at risk. Factors to be considered by the Board shall include…seismic mitigation of the Most Vulnerable Category 2 Buildings as verified by the DSA…."

SFP Regulation Section 1859.82(a)(1)(A) states:

> If the request is for replacement facilities, a cost/benefit analysis must be prepared by the district and submitted to the [Office of Public School Construction] OPSC that indicates the total costs to remain in the classroom or related facility and mitigate the problem is at least 50 percent of the Current Replacement Cost of the classroom or related facility. The cost/benefit analysis may include applicable site development costs as outlined in Section 1859.76. If the cost to remain in the classroom or related facility is less than 50 percent of the Current Replacement Cost, the district may qualify for a Modernization Excessive Cost Hardship Grant for rehabilitation costs pursuant to Section 1859.83 (e) or a grant not to exceed 50 percent of the cost estimate that has been reviewed and approved by the OPSC and approved by the board for seismic rehabilitation.

SFP Regulation Section 1859.82(a)(1)(B) states:

> If the request is for replacement facilities that included structural and/or seismic deficiencies, the cost/benefit analysis must also include a report from a licensed design professional identifying the minimum work necessary to obtain DSA approval. The report must contain a detailed cost estimate of the repairs. The report and cost estimate shall be subject to review by the OPSC for conformance with the Saylor Current Construction Cost Publication and, at the OPSC's discretion, the DSA. For seismic deficiencies of the Most Vulnerable Category 2 Buildings, the report and the cost estimate for the minimum work necessary must be reviewed by the DSA.

ATTACHMENT A

AUTHORITY (cont.)

SFP Regulation Section 1859.82(a)(1)(C) states:

The seismic mitigation projects must meet all of the following requirements:

1. The construction contract was executed on or after May 20, 2006;
2. The project funding provided shall be for the minimum work necessary to obtain DSA approval;
3. The building is designed for occupancy by students and staff; and
4. The DSA concurs with a report by a structural engineer, which identifies structural deficiencies that pose an unacceptable risk of injury to its occupants in a seismic event. If the unacceptable risk of injury is due to the presence of faulting, liquefaction or landslide, these hazards must be documented by a geologic hazards report prepared by an engineering geologist in accordance with California Building Code, Part 2, Chapter 18, section 1803A and with the concurrence of the California Geological Survey.

The structural engineer's report shall conform to the guidelines prepared by the DSA, in accordance with Education Code Section 17310.

SFP Regulation Section 1859.83 states, "In addition to any other funding authorized by these Regulations, a district is eligible for funding as a result of unusual circumstances that created excessive project costs beyond the control of the district."

SFP Regulation Section 1859.83(e) provides for:

Excessive Costs for rehabilitation of facilities the Board has determined are a health and safety risk to the pupils pursuant to Section 1859.82(a)(1) and the cost/benefit analysis to mitigate the problem and remain in the facility is less than 50 percent of the Current Replacement Cost of the facility. If the district qualifies, the district is eligible for funding of rehabilitation costs as a modernization project…If the Approved Application is received after April 29, 2002, the grant amount provided is 60 percent of the amount of the cost estimate required in Section 1859.82(a)(1) that has been reviewed by the OPSC and approved by the Board.

SFP Regulation Section 1859.95 states:

When the Board has no funds to apportion or the application does not qualify for funding because of the Board's priority point mechanism pursuant to Sections 1859.91 and 1859.92, the Board will continue to accept and process applications for eligibility determination, with the exception of applications that include a request for review of an Alternative Enrollment Projection method. The Board will also accept and process applications for apportionment for purposes of developing an Unfunded List based on the date the application is Ready for Apportionment, with the exception of New Construction funding applications that utilize eligibility generated by the Alternative Enrollment Projection.

SAB Meeting: **June 25, 2014** **Seismic Mitigation Program - Adjusted Grant Approval**

SCHOOL DISTRICT DATA

Application No:	58/64352-00-002	**County:**	Los Angeles
School District:	Centinela Valley Union High	**School Name:**	Hawthorne High

PROJECT DATA

Type of Project:	High School	**Application Filing Basis:**	Site Specific
Pupils Assigned Under 50 Yrs: K-6:			
7-8:			
9-12:			
Non-Severe:			
Severe:			
Financial Hardship Requested:	No	**Recommended Acres:**	40
Alternative Education School:	No	**Existing Acres:**	31

ADJUSTED GRANT DATA		
Seismic Rehabilitation	$	431,649.00
Prevailing Wage Monitoring		540.00
Total State Share (50%)		432,189.00
District Share (50%)		432,189.00
Total Project Cost	$	**864,378.00**

PROJECT FINANCING		
State Share		
This Project	$	432,189.00
District Share		
Cash Contribution		432,189.00
Financial Hardship		
Total Project Cost	$	**864,378.00**

HISTORY OF PROJECT COST AND APPORTIONMENT

	Fund Code	Proposition	Previously Authorized	Authorized This Action	Unfunded Approval This Action
State Share					
New Construction/Additional Grant	**957-505**	**1D**		$ 432,189.00	$ 432,189.00
District Share					
Cash Contribution				432,189.00	
Total				$ **864,378.00**	$ **432,189.00**

Funding Source: Proposition 1D Bonds/2006-Nov.
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.

Provide that the State portion of any and all project savings realized from the funding of a Seismic Mitigation Program project must be returned to the State.

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

SCHOOL DISTRICT DATA	
School District: ……..…CENTINELA VALLEY UNION HIGH	County:…….……..…LOS ANGELES
Application Number:…….…… 58/64352-00-003	School Name:……...…...HAWTHORNE HIGH
Total District Enrollment:…….……..6,637	Project Grade Level:……...…….……...9-12
Financial Hardship:…….……...……...……NO	

PURPOSE OF REPORT

Type of Request	State Allocation Board conceptual approval for a School Facility Program (SFP) Facility Hardship Seismic Mitigation Program (SMP) rehabilitation project.
Estimated Total Project Cost	$ 1,478,898
Estimated Cost to the State	$ 739,449

DESCRIPTION

Description of Health and Safety Threat	Buildings 12, 13, 18, 24 and 26 at Hawthorne High School in Hawthorne, California, were of the Most Vulnerable Category 2 Building type. These five single-story clay masonry buildings were originally constructed between 1950 and 1956. The Division of the State Architect (DSA) has concurred with the presence of the threat of a local or global collapse of the facility in the event of seismic activity, as outlined in the Eligibility Evaluation Report filed by the District's structural engineer.
Scope of Project	The project scope entails the demolition and replacement of all five structures. Because the total cost for the minimum work required to rehabilitate the buildings is less than 50 percent of the cost to replace them, the District is applying for conceptual approval for the estimated costs of rehabilitation. This application does not yet include DSA-approved construction plans. Two funding applications have been received for other buildings on this campus. One of these applications is for SMP rehabilitation funding to be used toward the replacement of seven other structures. That application is also being processed to this Board meeting. Additionally, on October 31, 2012, the District submitted an application for modernization funding for like-kind replacement of other buildings on the campus. This modernization application received an unfunded approval at the June 26, 2013 Board meeting and is on the Unfunded List pursuant to SFP Regulation Section 1859.95.
Status of School Site	Buildings 12, 13, 18, 24 and 26 have been vacated and demolished, and the District is housing the students in interim housing while the new buildings are under construction.

QUALIFYING CRITERIA

Government/State Level Concurrence	DSA has approved Buildings 12, 13, 18, 24 and 26 for SMP eligibility, and has evaluated and approved the planned seismic mitigation work.

(Continued on Page Two)

Site Visit Completed by Staff	Staff has accepted reports by the industry specialist and DSA approval in lieu of a site visit.
Staff Supports the District's Request	Yes

AUTHORITY

See Attachment A.

RECOMMENDATIONS

1. Approve the District's request for conceptual approval for SMP rehabilitation funding for use toward the replacement of Buildings 12, 13, 18, 24 and 26.

2. Provide that the District must file an Approved Application for SMP rehabilitation funding within 18 months of this approval, pursuant to Regulation Section 1859.82 (c).

3. Provide that this conceptual approval does not guarantee a commitment for funding by the Board. Any possible future funding will be subject to all governing laws and regulations, and the availability of funds.

4. Provide that the State portion of any and all savings which may be realized from the funding of this SMP project must be returned to the State.

ATTACHMENT A

AUTHORITY

Education Code (EC) Section 17075.10(a) states:

> A school district may apply for hardship assistance in cases of extraordinary circumstances. Extraordinary circumstances may include, but are not limited to, the need to repair, reconstruct, or replace the most vulnerable school facilities that are identified as a Category 2 building, as defined in the report submitted pursuant to Section 17317, determined by the department to pose an unacceptable risk of injury to its occupants in the event of a seismic event.

EC Section 17075.10(b)(2) states:

> Funds for the purpose of seismic mitigation work or facility replacement pursuant to this section shall be allocated by the board on a 50-percent state share basis from funds reserved for that purpose in any bond approved by the voters after January 1, 2006. If the board determines that the seismic mitigation work of a school building would require funding that is greater than 50 percent of the funds required to construct a new facility, the school district shall be eligible for funding to construct a new facility under this chapter.

SFP Regulation Section 1859.82 states, "A district is eligible for facility hardship funding to replace or construct new classrooms and related facilities if the district demonstrates there is an unmet need for pupil housing or the condition of the facilities, or the lack of facilities, is a threat to the health and safety of the pupils."

SFP Regulation Section 1859.82(a)(1) provides for Facility Hardship grant funding when, "The facilities are needed to ensure the health and safety of the pupils if the district can demonstrate to the satisfaction of the Board that the health and safety of the pupils is at risk. Factors to be considered by the Board shall include…seismic mitigation of the Most Vulnerable Category 2 Buildings as verified by the DSA…."

SFP Regulation Section 1859.82(a)(1)(A) states:

> If the request is for replacement facilities, a cost/benefit analysis must be prepared by the district and submitted to the [Office of Public School Construction] OPSC that indicates the total costs to remain in the classroom or related facility and mitigate the problem is at least 50 percent of the Current Replacement Cost of the classroom or related facility. The cost/benefit analysis may include applicable site development costs as outlined in Section 1859.76. If the cost to remain in the classroom or related facility is less than 50 percent of the Current Replacement Cost, the district may qualify for a Modernization Excessive Cost Hardship Grant for rehabilitation costs pursuant to Section 1859.83 (e) or a grant not to exceed 50 percent of the cost estimate that has been reviewed and approved by the OPSC and approved by the board for seismic rehabilitation.

SFP Regulation Section 1859.82(a)(1)(B) states:

> If the request is for replacement facilities that included structural and/or seismic deficiencies, the cost/benefit analysis must also include a report from a licensed design professional identifying the minimum work necessary to obtain DSA approval. The report must contain a detailed cost estimate of the repairs. The report and cost estimate shall be subject to review by the OPSC for conformance with the Saylor Current Construction Cost Publication and, at the OPSC's discretion, the DSA. For seismic deficiencies of the Most Vulnerable Category 2 Buildings, the report and the cost estimate for the minimum work necessary must be reviewed by the DSA.

ATTACHMENT A

AUTHORITY (cont.)

SFP Regulation Section 1859.82(a)(1)(C) states:

The seismic mitigation projects must meet all of the following requirements:

1. The construction contract was executed on or after May 20, 2006;
2. The project funding provided shall be for the minimum work necessary to obtain DSA approval;
3. The building is designed for occupancy by students and staff; and
4. The DSA concurs with a report by a structural engineer, which identifies structural deficiencies that pose an unacceptable risk of injury to its occupants in a seismic event. If the unacceptable risk of injury is due to the presence of faulting, liquefaction or landslide, these hazards must be documented by a geologic hazards report prepared by an engineering geologist in accordance with California Building Code, Part 2, Chapter 18, section 1803A and with the concurrence of the California Geological Survey.

The structural engineer's report shall conform to the guidelines prepared by the DSA, in accordance with Education Code Section 17310.

SFP Regulation Section 1859.83 states, "In addition to any other funding authorized by these Regulations, a district is eligible for funding as a result of unusual circumstances that created excessive project costs beyond the control of the district."

SFP Regulation Section 1859.83(e) provides for:

Excessive Costs for rehabilitation of facilities the Board has determined are a health and safety risk to the pupils pursuant to Section 1859.82(a)(1) and the cost/benefit analysis to mitigate the problem and remain in the facility is less than 50 percent of the Current Replacement Cost of the facility. If the district qualifies, the district is eligible for funding of rehabilitation costs as a modernization project…If the Approved Application is received after April 29, 2002, the grant amount provided is 60 percent of the amount of the cost estimate required in Section 1859.82(a)(1) that has been reviewed by the OPSC and approved by the Board.

SFP Regulation Section 1859.95 states:

When the Board has no funds to apportion or the application does not qualify for funding because of the Board's priority point mechanism pursuant to Sections 1859.91 and 1859.92, the Board will continue to accept and process applications for eligibility determination, with the exception of applications that include a request for review of an Alternative Enrollment Projection method. The Board will also accept and process applications for apportionment for purposes of developing an Unfunded List based on the date the application is Ready for Apportionment, with the exception of New Construction funding applications that utilize eligibility generated by the Alternative Enrollment Projection.

SCHOOL DISTRICT DATA	
School District: ……SANTA BARBARA UNIFIED	County:…….……....SANTA BARBARA
Application Number:…….…..… 51/76786-00-001	School Name:….....….....SANTA BARBARA HIGH
Total District Enrollment:…….…….…....15,518	Project Grade Level:……...……..……...9-12
Financial Hardship:……..…….……..……NO	

PURPOSE OF REPORT

Type of Request	State Allocation Board (Board) conceptual approval for a School Facility Program (SFP) Facility Hardship Seismic Mitigation Program (SMP) replacement project.
Estimated Total Project Cost	$ 5,621,582
Estimated Cost to the State	$ 2,810,791

DESCRIPTION

Description of Health and Safety Threat	The Peabody Stadium at Santa Barbara High School, in Santa Barbara, California was originally built in 1926 and is the Most Vulnerable Category 2 Building Type. The Division of the State Architect (DSA) has concurred with the presence of the threat of a local or global collapse of the facility in the event of seismic activity, as outlined in the Eligibility Evaluation Report filed by the District's structural engineer.
Scope of Project	The Peabody Stadium consists of outdoor, concrete, grandstand seating with team rooms, restrooms and storage space underneath. The eligible enclosed area includes 1,108 square feet of "toilet" facilities and 4,314 square feet of "other" facilities. The project is currently in the planning and pre-design stage, but ultimately the entire stadium will be demolished and reconstructed in the same location.
Status of School Site	The Peabody Stadium is currently open for use by students and the public.

QUALIFYING CRITERIA

Government/State Level Concurrence	DSA has approved the Peabody Stadium for SMP eligibility, has evaluated and approved the planned seismic mitigation work.
Site Visit Completed by Staff	Staff has accepted reports by the industry specialist and DSA approval in lieu of a site visit.
Staff Supports the District's Request	Yes

AUTHORITY

(Continued on Page Two)

See Attachment A.

RECOMMENDATIONS

1. Provide that the potential grant amount will be based on an adjusted square footage calculation not to exceed 1,108 square feet of "toilet" facilities and 4,314 square feet of "other" facilities as well as applicable site development.

2. Provide that the District must file an Approved Application for funding within 18 months of this approval, pursuant to Regulation Section 1859.82(c).

3. Provide that this conceptual approval does not guarantee a commitment for funding by the Board. Any possible future funding will be subject to all governing laws and regulations, and the availability of funds.

4. Provide that the State portion of any and all savings which may be realized from the funding of this SMP project must be returned to the State.

ATTACHMENT A

AUTHORITY

Education Code (EC) Section 17075.10(a) states:

> A school district may apply for hardship assistance in cases of extraordinary circumstances. Extraordinary circumstances may include, but are not limited to, the need to repair, reconstruct, or replace the most vulnerable school facilities that are identified as a Category 2 building, as defined in the report submitted pursuant to Section 17317, determined by the department to pose an unacceptable risk of injury to its occupants in the event of a seismic event.

EC Section 17075.10(b)(2) states:

> Funds for the purpose of seismic mitigation work or facility replacement pursuant to this section shall be allocated by the board on a 50-percent state share basis from funds reserved for that purpose in any bond approved by the voters after January 1, 2006. If the board determines that the seismic mitigation work of a school building would require funding that is greater than 50 percent of the funds required to construct a new facility, the school district shall be eligible for funding to construct a new facility under this chapter.

SFP Regulation Section 1859.82 states, "A district is eligible for facility hardship funding to replace or construct new classrooms and related facilities if the district demonstrates there is an unmet need for pupil housing or the condition of the facilities, or the lack of facilities, is a threat to the health and safety of the pupils."

SFP Regulation Section 1859.82(a)(1) provides for Facility Hardship grant funding when, "The facilities are needed to ensure the health and safety of the pupils if the district can demonstrate to the satisfaction of the Board that the health and safety of the pupils is at risk. Factors to be considered by the Board shall include…seismic mitigation of the Most Vulnerable Category 2 Buildings as verified by the DSA…."

SFP Regulation Section 1859.82(a)(1)(A) states:

> If the request is for replacement facilities, a cost/benefit analysis must be prepared by the district and submitted to the OPSC that indicates the total costs to remain in the classroom or related facility and mitigate the problem is at least 50 percent of the Current Replacement Cost of the classroom or related facility. The cost/benefit analysis may include applicable site development costs as outlined in Section 1859.76. The cost/benefit analysis shall not include increased costs associated with high performance related costs or components, with the exception of those high performance components that were pre-existing in the classroom or related facility. If the cost to remain in the classroom or related facility is less than 50 percent of the Current Replacement Cost, the district may qualify for either grant below, as applicable:
>
> 1. Modernization Excessive Cost Hardship Grant for Rehabilitation Costs pursuant to Section 1859.83(e), or
> 2. A grant not to exceed 50 percent of the cost estimate that has been reviewed and approved by the OPSC and approved by the board for seismic rehabilitation.

ATTACHMENT A

AUTHORITY (cont.)

SFP Regulation Section 1859.82(a)(1)(B) states:

If the request is for replacement facilities that included structural and/or seismic deficiencies, the cost/benefit analysis must also include a report from a licensed design professional identifying the minimum work necessary to obtain DSA approval. The report must contain a detailed cost estimate of the repairs. The cost/benefit analysis shall not include increased costs associated with high performance related costs or components, with the exception of those high performance components that were pre-existing in the classroom or related facility. The report and cost estimate shall be subject to review by the OPSC for conformance with the Saylor Current Construction Cost Publication and, at the OPSC's discretion, the DSA. For seismic deficiencies of the Most Vulnerable Category 2 Buildings, the report and the cost estimate for the minimum work necessary must be reviewed by the DSA.

SFP Regulation Section 1859.82(a)(1)(C) states:

The seismic mitigation projects must meet all of the following requirements:

1. The construction contract was executed on or after May 20, 2006;
2. The project funding provided shall be for the minimum work necessary to obtain DSA approval;
3. The building is designed for occupancy by students and staff; and
4. The DSA concurs with a report by a structural engineer, which identifies structural deficiencies that pose an unacceptable risk of injury to its occupants in a seismic event. If the unacceptable risk of injury is due to the presence of faulting, liquefaction or landslide, these hazards must be documented by a geologic hazards report prepared by an engineering geologist in accordance with California Building Code, Part 2, Chapter 18, section 1803A and with the concurrence of the California Geological Survey.

The structural engineer's report shall conform to the guidelines prepared by the DSA, in accordance with Education Code Section 17310.

SFP Regulation Section 1859.95.1(a) states:

When the Board has Insufficient Bond Authority to apportion the School District's funding request on the Form SAB 50-04, the following will apply:

(1) The Office of Public School Construction (OPSC) will receive and determine if the Form SAB 50-04 is an Approved Application. To be placed on the Applications Received Beyond Bond Authority List, the Approved Application for funding shall be accompanied by a school board resolution, as specified in paragraph (b) of this Section. The OPSC will not determine if the Approved Application is ready for Apportionment.

SCHOOL DISTRICT DATA

School District: …….SIMI VALLEY UNIFIED	County:……..……VENTURA
Application Number:…….…… 58/72603-00-002	School Name:……..…CRESTVIEW ELEMENTARY
Total District Enrollment:…….……18,353	Project Grade Level:……...…….…….....K-6
Financial Hardship:……..……..……...……NO	

PURPOSE OF REPORT

Type of Request	State Allocation Board (Board) approval for placement on the Unfunded List (Lack of AB 55 Loans) for a School Facility Program (SFP) Facility Hardship Seismic Mitigation Program (SMP) rehabilitation project.
Total Project Cost	$ 134,944
Cost to the State	$ 67,472

DESCRIPTION

Description of Health and Safety Threat	The Administration and Cafeteria Building (Building 1) at Crestveiw Elementary is a Most Vulnerable Category 2 Building type. This 4,000 square foot one-story structure was originally built of concrete and masonry in 1964. In September 2011, a structural evaluation was performed on Building 1 which identified critical deficiencies in the building's wall and roof systems. The Division of the State Architect (DSA) has concurred with the presence of the threat of a local or global collapse of the facility in the event of seismic activity, as outlined in the Eligibility Evaluation Report filed by the District's structural engineer.
Scope of Project	The scope of the project includes structural repairs to the wall and roof systems.
Status of School Site	Construction began June 4, 2014. Administrative staff is being housed in interim housing. Students will be able to use most of the covered lunch shelter during construction.

QUALIFYING CRITERIA

Government/State Level Concurrence	DSA has approved Building 1 for SMP eligibility, has evaluated and approved the planned seismic mitigation work, and has issued plan approval.
Site Visit Completed by Staff	Staff has accepted reports by the industry specialist and DSA approvals in lieu of a site visit.
Staff Supports the District's Request	Yes

(Continued on Page Two)

AUTHORITY

See Attachment A.

RECOMMENDATIONS

1. Approve the District's request for placement on the Unfunded List (Lack of AB 55 Loans) for SMP rehabilitation funding for Building 1 on the Crestview Elementary site, pursuant to the SFP Regulation Section 1859.82, as provided on Attachment B.

2. Provide that the State portion of any and all savings which may be realized from the funding of this SMP project must be returned to the State.

ATTACHMENT A

AUTHORITY

Education Code (EC) Section 17075.10(a) states:

> A school district may apply for hardship assistance in cases of extraordinary circumstances. Extraordinary circumstances may include, but are not limited to, the need to repair, reconstruct, or replace the most vulnerable school facilities that are identified as a Category 2 building, as defined in the report submitted pursuant to Section 17317, determined by the department to pose an unacceptable risk of injury to its occupants in the event of a seismic event.

EC Section 17075.10(b)(2) states:

> Funds for the purpose of seismic mitigation work or facility replacement pursuant to this section shall be allocated by the board on a 50-percent state share basis from funds reserved for that purpose in any bond approved by the voters after January 1, 2006. If the board determines that the seismic mitigation work of a school building would require funding that is greater than 50 percent of the funds required to construct a new facility, the school district shall be eligible for funding to construct a new facility under this chapter.

SFP Regulation Section 1859.82 states, "A district is eligible for facility hardship funding to replace or construct new classrooms and related facilities if the district demonstrates there is an unmet need for pupil housing or the condition of the facilities, or the lack of facilities, is a threat to the health and safety of the pupils."

SFP Regulation Section 1859.82(a)(1) provides for Facility Hardship grant funding when, "The facilities are needed to ensure the health and safety of the pupils if the district can demonstrate to the satisfaction of the Board that the health and safety of the pupils is at risk. Factors to be considered by the Board shall include…seismic mitigation of the Most Vulnerable Category 2 Buildings as verified by the DSA…."

SFP Regulation Section 1859.82(a)(1)(A) states:

> If the request is for replacement facilities, a cost/benefit analysis must be prepared by the district and submitted to the OPSC that indicates the total costs to remain in the classroom or related facility and mitigate the problem is at least 50 percent of the Current Replacement Cost of the classroom or related facility. The cost/benefit analysis may include applicable site development costs as outlined in Section 1859.76. The cost/benefit analysis shall not include increased costs associated with high performance related costs or components, with the exception of those high performance components that were pre-existing in the classroom or related facility. If the cost to remain in the classroom or related facility is less than 50 percent of the Current Replacement Cost, the district may qualify for either grant below, as applicable:
>
> 1. Modernization Excessive Cost Hardship Grant for Rehabilitation Costs pursuant to Section 1859.83(e), or
> 2. A grant not to exceed 50 percent of the cost estimate that has been reviewed and approved by the OPSC and approved by the board for seismic rehabilitation.

ATTACHMENT A

AUTHORITY (cont.)

SFP Regulation Section 1859.82(a)(1)(B) states:

If the request is for replacement facilities that included structural and/or seismic deficiencies, the cost/benefit analysis must also include a report from a licensed design professional identifying the minimum work necessary to obtain DSA approval. The report must contain a detailed cost estimate of the repairs. The cost/benefit analysis shall not include increased costs associated with high performance related costs or components, with the exception of those high performance components that were pre-existing in the classroom or related facility. The report and cost estimate shall be subject to review by the OPSC for conformance with the Saylor Current Construction Cost Publication and, at the OPSC's discretion, the DSA. For seismic deficiencies of the Most Vulnerable Category 2 Buildings, the report and the cost estimate for the minimum work necessary must be reviewed by the DSA.

SFP Regulation Section 1859.82(a)(1)(C) states:

The seismic mitigation projects must meet all of the following requirements:

1. The construction contract was executed on or after May 20, 2006;
2. The project funding provided shall be for the minimum work necessary to obtain DSA approval;
3. The building is designed for occupancy by students and staff; and
4. The DSA concurs with a report by a structural engineer, which identifies structural deficiencies that pose an unacceptable risk of injury to its occupants in a seismic event. If the unacceptable risk of injury is due to the presence of faulting, liquefaction or landslide, these hazards must be documented by a geologic hazards report prepared by an engineering geologist in accordance with California Building Code, Part 2, Chapter 18, section 1803A and with the concurrence of the California Geological Survey.

The structural engineer's report shall conform to the guidelines prepared by the DSA, in accordance with Education Code Section 17310.

SAB Meeting: **June 25, 2014** **Seismic Mitigation Program - Adjusted Grant Approval**

SCHOOL DISTRICT DATA

Application No:	58/72603-00-002	**County:**	Ventura
School District:	Simi Valley Unified	**School Name:**	Crestview Elementary

PROJECT DATA

Type of Project:	Elementary School	**Application Filing Basis:**	Site Specific
Pupils Assigned Under 50 Yrs: K-6:			
7-8:			
9-12:			
Non-Severe:			
Severe:			
Financial Hardship Requested:	No	**Recommended Acres:**	10
Alternative Education School:	No	**Existing Acres:**	11

ADJUSTED GRANT DATA		
Seismic Rehabilitation	$	67,388.00
Prevailing Wage Monitoring		84.00
Total State Share (50%)		67,472.00
District Share (50%)		67,472.00
Total Project Cost	$	**134,944.00**

PROJECT FINANCING		
State Share		
This Project	$	67,472.00
District Share		
Cash Contribution		67,472.00
Financial Hardship		
Total Project Cost	$	**134,944.00**

HISTORY OF PROJECT COST AND APPORTIONMENT

	Fund Code	Proposition	Previously Authorized	Authorized This Action	Unfunded Approval This Action
State Share					
New Construction/Additional Grant	**957-505**	**1D**		$ 67,472.00	$ 67,472.00
District Share					
Cash Contribution				67,472.00	
Total				$ **134,944.00**	$ **67,472.00**

Funding Source: Proposition 1D Bonds/2006-Nov.
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.

Provide that the State portion of any and all project savings realized from the funding of a Seismic Mitigation Program project must be returned to the State.

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

SCHOOL DISTRICT DATA	
School District: ……..SIMI VALLEY UNIFIED	County:……..……VENTURA
Application Number:…….…… 58/72603-00-003	School Name:……..MADERA ELEMENTARY
Total District Enrollment:…….……18,353	Project Grade Level:……...…….....K-6
Financial Hardship:……..……..……...……NO	

PURPOSE OF REPORT

Type of Request	State Allocation Board (Board) approval for placement on the Unfunded List (Lack of AB 55 Loans) for a School Facility Program (SFP) Facility Hardship Seismic Mitigation Program (SMP) rehabilitation project.
Total Project Cost	$ 134,944
Cost to the State	$ 67,472

DESCRIPTION

Description of Health and Safety Threat	The Administration and Cafeteria Building (Building 1) at Madera Elementary is a Most Vulnerable Category 2 Building type. This 4,000 square foot one-story structure was originally built of concrete and masonry in 1965. In October 2011, a structural evaluation was performed on Building 1 which identified critical deficiencies in the building's wall and roof systems. The Division of the State Architect (DSA) has concurred with the presence of the threat of a local or global collapse of the facility in the event of seismic activity, as outlined in the Eligibility Evaluation Report filed by the District's structural engineer.
Scope of Project	The scope of the project includes structural repairs to the wall and roof systems.
Status of School Site	Construction began June 4, 2014. Administrative staff is being housed in interim housing. Students will be able to use most of the covered lunch shelter during construction.

QUALIFYING CRITERIA

Government/State Level Concurrence	DSA has approved Building 1 for SMP eligibility, has evaluated and approved the planned seismic mitigation work, and has issued plan approval.
Site Visit Completed by Staff	Staff has accepted reports by the industry specialist and DSA approvals in lieu of a site visit.
Staff Supports the District's Request	Yes

(Continued on Page Two)

AUTHORITY

See Attachment A.

RECOMMENDATIONS

1. Approve the District's request for placement on the Unfunded List (Lack of AB 55 Loans) for SMP rehabilitation funding for Building 1 on the Madera Elementary site, pursuant to the SFP Regulation Section 1859.82, as provided on Attachment B.

2. Provide that the State portion of any and all savings which may be realized from the funding of this SMP project must be returned to the State.

ATTACHMENT A

AUTHORITY

Education Code (EC) Section 17075.10(a) states:

> A school district may apply for hardship assistance in cases of extraordinary circumstances. Extraordinary circumstances may include, but are not limited to, the need to repair, reconstruct, or replace the most vulnerable school facilities that are identified as a Category 2 building, as defined in the report submitted pursuant to Section 17317, determined by the department to pose an unacceptable risk of injury to its occupants in the event of a seismic event.

EC Section 17075.10(b)(2) states:

> Funds for the purpose of seismic mitigation work or facility replacement pursuant to this section shall be allocated by the board on a 50-percent state share basis from funds reserved for that purpose in any bond approved by the voters after January 1, 2006. If the board determines that the seismic mitigation work of a school building would require funding that is greater than 50 percent of the funds required to construct a new facility, the school district shall be eligible for funding to construct a new facility under this chapter.

SFP Regulation Section 1859.82 states, "A district is eligible for facility hardship funding to replace or construct new classrooms and related facilities if the district demonstrates there is an unmet need for pupil housing or the condition of the facilities, or the lack of facilities, is a threat to the health and safety of the pupils."

SFP Regulation Section 1859.82(a)(1) provides for Facility Hardship grant funding when, "The facilities are needed to ensure the health and safety of the pupils if the district can demonstrate to the satisfaction of the Board that the health and safety of the pupils is at risk. Factors to be considered by the Board shall include…seismic mitigation of the Most Vulnerable Category 2 Buildings as verified by the DSA…."

SFP Regulation Section 1859.82(a)(1)(A) states:

> If the request is for replacement facilities, a cost/benefit analysis must be prepared by the district and submitted to the OPSC that indicates the total costs to remain in the classroom or related facility and mitigate the problem is at least 50 percent of the Current Replacement Cost of the classroom or related facility. The cost/benefit analysis may include applicable site development costs as outlined in Section 1859.76. The cost/benefit analysis shall not include increased costs associated with high performance related costs or components, with the exception of those high performance components that were pre-existing in the classroom or related facility. If the cost to remain in the classroom or related facility is less than 50 percent of the Current Replacement Cost, the district may qualify for either grant below, as applicable:
>
> 1. Modernization Excessive Cost Hardship Grant for Rehabilitation Costs pursuant to Section 1859.83(e), or
> 2. A grant not to exceed 50 percent of the cost estimate that has been reviewed and approved by the OPSC and approved by the board for seismic rehabilitation.

ATTACHMENT A

AUTHORITY (cont.)

SFP Regulation Section 1859.82(a)(1)(B) states:

If the request is for replacement facilities that included structural and/or seismic deficiencies, the cost/benefit analysis must also include a report from a licensed design professional identifying the minimum work necessary to obtain DSA approval. The report must contain a detailed cost estimate of the repairs. The cost/benefit analysis shall not include increased costs associated with high performance related costs or components, with the exception of those high performance components that were pre-existing in the classroom or related facility. The report and cost estimate shall be subject to review by the OPSC for conformance with the Saylor Current Construction Cost Publication and, at the OPSC's discretion, the DSA. For seismic deficiencies of the Most Vulnerable Category 2 Buildings, the report and the cost estimate for the minimum work necessary must be reviewed by the DSA.

SFP Regulation Section 1859.82(a)(1)(C) states:

The seismic mitigation projects must meet all of the following requirements:

1. The construction contract was executed on or after May 20, 2006;
2. The project funding provided shall be for the minimum work necessary to obtain DSA approval;
3. The building is designed for occupancy by students and staff; and
4. The DSA concurs with a report by a structural engineer, which identifies structural deficiencies that pose an unacceptable risk of injury to its occupants in a seismic event. If the unacceptable risk of injury is due to the presence of faulting, liquefaction or landslide, these hazards must be documented by a geologic hazards report prepared by an engineering geologist in accordance with California Building Code, Part 2, Chapter 18, section 1803A and with the concurrence of the California Geological Survey.

The structural engineer's report shall conform to the guidelines prepared by the DSA, in accordance with Education Code Section 17310.

SAB Meeting: **June 25, 2014** **Seismic Mitigation Program - Adjusted Grant Approval**

SCHOOL DISTRICT DATA

Application No:	58/72603-00-003	**County:**	Ventura
School District:	Simi Valley Unified	**School Name:**	Madera Elementary

PROJECT DATA

Type of Project:	Elementary School	**Application Filing Basis:**	Site Specific
Pupils Assigned Under 50 Yrs: K-6:			
7-8:			
9-12:			
Non-Severe:			
Severe:			
Financial Hardship Requested:	No	**Recommended Acres:**	10
Alternative Education School:	No	**Existing Acres:**	11

ADJUSTED GRANT DATA

Seismic Rehabilitation	$	67,388.00
Prevailing Wage Monitoring		84.00
Total State Share (50%)		67,472.00
District Share (50%)		67,472.00
Total Project Cost	$	**134,944.00**

PROJECT FINANCING

State Share		
This Project	$	67,472.00
District Share		
Cash Contribution		67,472.00
Financial Hardship		
Total Project Cost	$	**134,944.00**

HISTORY OF PROJECT COST AND APPORTIONMENT

	Fund Code	Proposition	Previously Authorized	Authorized This Action	Unfunded Approval This Action
State Share					
New Construction/Additional Grant	**957-505**	**1D**		$ 67,472.00	$ 67,472.00
District Share					
Cash Contribution				67,472.00	
Total				$ **134,944.00**	$ **67,472.00**

Funding Source: Proposition 1D Bonds/2006-Nov.
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.

Provide that the State portion of any and all project savings realized from the funding of a Seismic Mitigation Program project must be returned to the State.

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

SCHOOL DISTRICT DATA

School District: ……..SIMI VALLEY UNIFIED	County:……..……..……VENTURA
Application Number:…….…… 58/72603-00-004	School Name:……..….SYCAMORE ELEMENTARY
Total District Enrollment:…….……18,353	Project Grade Level:……...…….…….....K-6
Financial Hardship:……..…….……..……..……NO	

PURPOSE OF REPORT

Type of Request	State Allocation Board (Board) approval for placement on the Unfunded List (Lack of AB 55 Loans) for a School Facility Program (SFP) Facility Hardship Seismic Mitigation Program (SMP) rehabilitation project.
Total Project Cost	$ 134,944
Cost to the State	$ 67,472

DESCRIPTION

Description of Health and Safety Threat	The Administration and Cafeteria Building (Building 1) at Sycamore Elementary is a Most Vulnerable Category 2 Building type. This 4,000 square foot one-story structure was originally built of concrete and masonry in 1965. In September of 2011, a structural evaluation was performed on Building 1 which identified critical deficiencies in the building's wall and roof systems. The Division of the State Architect (DSA) has concurred with the presence of the threat of a local or global collapse of the facility in the event of seismic activity, as outlined in the Eligibility Evaluation Report filed by the District's structural engineer.
Scope of Project	The scope of the project includes structural repairs to the wall and roof systems.
Status of School Site	Construction began June 4, 2014. Administrative staff is being housed in interim housing. Students will be able to use most of the covered lunch shelter during construction.

QUALIFYING CRITERIA

Government/State Level Concurrence	DSA has approved Building 1 for SMP eligibility, has evaluated and approved the planned seismic mitigation work, and has issued plan approval.
Site Visit Completed by Staff	Staff has accepted reports by the industry specialist and DSA approvals in lieu of a site visit.
Staff Supports the District's Request	Yes

(Continued on Page Two)

AUTHORITY

See Attachment A.

RECOMMENDATIONS

1. Approve the District's request for placement on the Unfunded List (Lack of AB 55 Loans) for SMP rehabilitation funding for Building 1 on the Sycamore Elementary site, pursuant to the SFP Regulation Section 1859.82, as provided on Attachment B.

2. Provide that the State portion of any and all savings which may be realized from the funding of this SMP project must be returned to the State.

ATTACHMENT A

AUTHORITY

Education Code (EC) Section 17075.10(a) states:

> A school district may apply for hardship assistance in cases of extraordinary circumstances. Extraordinary circumstances may include, but are not limited to, the need to repair, reconstruct, or replace the most vulnerable school facilities that are identified as a Category 2 building, as defined in the report submitted pursuant to Section 17317, determined by the department to pose an unacceptable risk of injury to its occupants in the event of a seismic event.

EC Section 17075.10(b)(2) states:

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SFP Regulation Section 1859.82 states, "A district is eligible for facility hardship funding to replace or construct new classrooms and related facilities if the district demonstrates there is an unmet need for pupil housing or the condition of the facilities, or the lack of facilities, is a threat to the health and safety of the pupils."

SFP Regulation Section 1859.82(a)(1) provides for Facility Hardship grant funding when, "The facilities are needed to ensure the health and safety of the pupils if the district can demonstrate to the satisfaction of the Board that the health and safety of the pupils is at risk. Factors to be considered by the Board shall include…seismic mitigation of the Most Vulnerable Category 2 Buildings as verified by the DSA…."

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> 1. Modernization Excessive Cost Hardship Grant for Rehabilitation Costs pursuant to Section 1859.83(e), or
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ATTACHMENT A

AUTHORITY (cont.)

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1. The construction contract was executed on or after May 20, 2006;
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3. The building is designed for occupancy by students and staff; and
4. The DSA concurs with a report by a structural engineer, which identifies structural deficiencies that pose an unacceptable risk of injury to its occupants in a seismic event. If the unacceptable risk of injury is due to the presence of faulting, liquefaction or landslide, these hazards must be documented by a geologic hazards report prepared by an engineering geologist in accordance with California Building Code, Part 2, Chapter 18, section 1803A and with the concurrence of the California Geological Survey.

The structural engineer's report shall conform to the guidelines prepared by the DSA, in accordance with Education Code Section 17310.

SAB Meeting: **June 25, 2014** **Seismic Mitigation Program - Adjusted Grant Approval**

SCHOOL DISTRICT DATA

Application No:	58/72603-00-004	**County:**	Ventura
School District:	Simi Valley Unified	**School Name:**	Sycamore Elementary

PROJECT DATA

Type of Project:	Elementary School	**Application Filing Basis:**	Site Specific
Pupils Assigned Under 50 Yrs: K-6:			
7-8:			
9-12:			
Non-Severe:			
Severe:			
Financial Hardship Requested:	No	**Recommended Acres:**	10
Alternative Education School:	No	**Existing Acres:**	11

ADJUSTED GRANT DATA		
Seismic Rehabilitation	$	67,388.00
Prevailing Wage Monitoring		84.00
Total State Share (50%)		67,472.00
District Share (50%)		67,472.00
Total Project Cost	$	**134,944.00**

PROJECT FINANCING		
State Share		
This Project	$	67,472.00
District Share		
Cash Contribution		67,472.00
Financial Hardship		
Total Project Cost	$	**134,944.00**

HISTORY OF PROJECT COST AND APPORTIONMENT

	Fund Code	Proposition	Previously Authorized	Authorized This Action	Unfunded Approval This Action
State Share					
New Construction/Additional Grant	**957-505**	**1D**		$ 67,472.00	$ 67,472.00
District Share					
Cash Contribution				67,472.00	
Total				$ **134,944.00**	$ **67,472.00**

Funding Source: Proposition 1D Bonds/2006-Nov.
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.

Provide that the State portion of any and all project savings realized from the funding of a Seismic Mitigation Program project must be returned to the State.

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

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, June 25, 2014

WAIVERS OF THE SUBSTANTIAL ENROLLMENT REQUIREMENT

PURPOSE OF REPORT

To present requests to waive the substantial enrollment requirement and subsequent increase in district building capacity under the School Facility Program (SFP).

DESCRIPTION

Two school districts, listed on the Attachment, have been reviewed by the State Allocation Board (Board) Waiver and Review Committee (Committee) and found to meet the requirements of the Board to receive a waiver from the adjustment to the existing school building capacity. The policy basis for each waiver is contained in the "waiver code" on the Attachment. The Committee recommends approval of the waiver requests.

AUTHORITY

Education Code Section 17017.7(c)
(c) "Substantial enrollment," for the purposes of this section, means enrollment of at least 30 percent of district pupils in kindergarten and grades 1 to 6, inclusive, or 40 percent of pupils in kindergarten and grades 1 to 12, inclusive, in the high school attendance area for which the school district is applying for new facilities. The calculation set forth in this subdivision, as to a self-certifying district, shall be made by the district, in accordance with any standards governing that calculation that are adopted by the board. The calculation shall be certified by the district to the board and used by the board for the purposes of this section. The self-certifying district shall maintain documentation of the calculation as may be required by the board, and the calculation shall be subject to subsequent audit as the board may direct. If a self-certifying district is found by the board to have materially misrepresented its pupil enrollment pursuant to this subdivision, the board may impose either or both of the penalties set forth in paragraphs (1) and (2) of subdivision (b) of Section 17041.2, in accordance with that section.

SFP Regulation Section 1859.35. Calculation of Existing School Building Capacity.
The district's existing school building capacity shall be determined by totaling the amount calculated in (a) and (b).
(a) With the exception of classrooms for Special Day Class pupils for which the multiplier is indicated on the Form SAB 50-02, multiply the number of available classrooms in the district, the HSAA or the Super HSAA by the following: 25 for each K-6 classroom and 27 for each 7-12 classroom. Available classrooms shall be determined by the reduction of classrooms identified in Section 1859.32 from the gross classroom inventory prepared pursuant to Section 1859.31 and the inclusion of portable classrooms as provided pursuant to Education Code Section 17071.30 (a) or (b).
(b) Multiply the K-6 pupil capacity of the elementary district, the unified district, the HSAA or the Super HSAA in a unified district as determined by the results of the calculations in (a) at the time of the initial determination of eligibility by six percent. **When the elementary or unified district meets the Substantial Enrollment Requirement (SER) or qualifies for a waiver of the SER authorized by Education Code Sections 17017.6 and 17017.7(c), the amount reported in (b) shall be zero**. For High School Districts, the amount reported in (b) shall be zero.

(Continued on Page Two)

BACKGROUND

The SFP requires that the existing school building capacity of a district be adjusted using the Board's priority one requirements for funding as those requirements existed under the Lease-Purchase Program. The relevant priority one requirement at that time was that a district has thirty-percent of their K-6 enrollment attending schools operating on a year-round calendar or accepts an increase in capacity equal to six percent of the district's K-6 students. Districts that did not meet the Multi-Track Year-Round Education (MTYRE) requirement could request a waiver of the reduction if they could demonstrate that certain financial or educational hardships existed that prevented the district from operating MTYRE programs.

As the district capacity increases, the net eligibility available in the SFP decreases.

STAFF ANALYSIS/STATEMENTS

The Board's Committee is comprised of the Supervising Field Representative of the California Department of Education's School Facilities and Transportation Services division. The Committee has reviewed the districts' requests and recommends the Board approve the requests.

RECOMMENDATION

Approve the requests as shown on the Attachment.

Attachment

WAIVERS OF THE SUBSTANTIAL ENROLLMENT REQUIREMENT

II. Approved Waiver: ADA of 300 or Less

DISTRICT	WAIVER CODE	LETTER DATE
Dehesa Elementary	SW	04/08/14
Yuba County Office of Education	SW	05/20/14

Approval Codes

1 = Insufficient number of pupils to load four classrooms	SW = SER Waiver
2 = ADA of 300 or less	RW = Recertification of Waiver
3 = Meets YRE percentage requirements 17017.7 (c)	S = SER Requirement
5 = High School District ADA of 1200 or fewer	RS = Recertification of SER
6 = High School District met SER requirement, 17017.6	SP = SER Partial
8 = Feasibility	FS = Feasibility Study
9 = Denied	
10 = Educational Hardship	
11 = Financial Hardship	