Resolution: 2015-06-05

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 30, 2015.

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 30, 2015 at Sacramento, California.

Lisa Silverman
Executive Officer
State Allocation Board

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, June 30, 2015

SCHOOL FACILITY PROGRAM UNFUNDED APPROVALS
(Lack of AB 55 Loans)

PURPOSE OF REPORT

To present to the State Allocation Board (Board) a list of School Facility Program (SFP) applications for unfunded approval.

DESCRIPTION

At the April 2015 Board meeting, the Board elected to provide an increase adjustment of 4.27 percent to SFP projects for calendar year 2015. The projects listed on the Attachment reflect the Board's action of the adoption of the 4.27 percent increase based on the RS Means Construction Cost Index. In addition, the project applications represent SFP new construction and modernization projects in date order of a complete application being received by the Office of Public School Construction (OPSC).

AUTHORITY

SFP Regulation Section 1859.2 defines an Unfunded List (Lack of AB 55 Loans) as an information list of unfunded projects that was created due to the State's inability to provide interim financing from the Pooled Money Investment Account (AB 55 loans) to fund school construction projects as declared in the Department of Finance Budget Letter #33 issued on December 18, 2008.

SFP Regulation Section 1859.95 states:

"When the Board has no funds to apportion …, 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.

An application for funding included on an Unfunded List is eligible for reimbursement subject to adjustments in the New Construction Grants amount pursuant to Section 1859.77."

BACKGROUND

At the March 11, 2009 SAB meeting, the Board requested that Staff continue to process applications to the Board for unfunded approval, up to the bonding authority. The Attachment reflects applications being presented for unfunded approval, including SFP modernization and new construction projects in date order of a complete application being received by the OPSC. The list also includes health and safety facility hardship applications for funding that have been processed and are ready for approval regardless of received date. The unfunded approval of the applications as reflected on the Attachment does not constitute a guarantee of future funding.

RECOMMENDATIONS

1. Approve the SFP applications as presented on the Attachment.

2. Provide that these unfunded approvals do not constitute a guarantee of future funding.

ATTACHMENT
UNFUNDED APPROVALS
(Lack of AB 55 Loans)
State Allocation Board Meeting, June 30, 2015

County	District	School Site	Application Number	Received Date	Grant Amount
ORANGE	GARDEN GROVE UNIFIED	LA QUINTA HIGH	51/66522-00-001	3/5/2015	$19,657,322.00
ORANGE	GARDEN GROVE UNIFIED	PACIFICA HIGH	51/66522-00-002	3/5/2015	$19,740,567.00
				Facility Hardship:	$39,397,889.00
				Total:	$39,397,889.00

SCHOOL DISTRICT DATA

Application No: 51/66522-00-001
School District: Garden Grove Unified
County: Orange
School Name: La Quinta High

PROJECT DATA

Type of Project:	High School
K-6:	
7-8:	
9-12:	
Non-Severe:	
Severe:	
Application Filing Basis:	Site Specific
Number of Classrooms:	61
Master Acres:	
Existing Acres:	40
Proposed Acres:	
Recommended Acres:	53
Facility Hardship (a):	Yes
Financial Hardship Requested:	No
Alternative Education School:	No
Addition to Existing Site:	No

ADJUSTED GRANT DATA

Fire Detection Alarm		$	105,193.00
Sprinkler System			315,579.00
Service Site			1,091,203.00
Utilities			49,670.00
Fac. Hardship Toilets	2,356 Sq. Ft.		716,224.00
Fac. Hardship Other	102,837 Sq. Ft.		17,379,453.00
Total State Share (50%)			19,657,322.00
District Share (50%)			19,657,322.00
Total Project Cost		$	**39,314,644.00**

PROJECT FINANCING

State Share		
This Project	$	19,657,322.00
District Share		
Cash Contribution		19,657,322.00
Financial Hardship		
Total Project Cost	$	**39,314,644.00**

HISTORY OF PROJECT COST AND APPORTIONMENT

	Fund Code	Proposition	Previously Authorized	Authorized This Action	Unfunded Approval This Action
State Share					
New Construction/Add. Grant	**957-505**	**1D**		$ 19,657,322.00	$ 19,657,322.00
District Share					
Cash Contribution				19,657,322.00	
Total			$	$ **39,314,644.00**	$ **19,657,322.00**

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.

Senate Bill 854, Chapter 28, Statutes of 2014, repealed Labor Code (LC) Section 1771.3 which required school districts to provide payment to Department of Industrial Relations (DIR) for prevailing wage monitoring. As a result, school districts awarding a construction contract on or after June 20, 2014 are not mandated to provide payment for DIR monitoring and enforcement of prevailing wage requirements. Projects with an initial public works project awarded on or after June 20, 2014 are not eligible to receive an additional grant for prevailing wage monitoring; however, school districts are still required to notify DIR within five days of initial contract award pursuant to LC Section 1773.3(a)(1).

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

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

STATE ALLOCATION BOARD
APPROVAL ❖ ❖ ❖ June 30, 2015

SCHOOL DISTRICT DATA

Application No: 51/66522-00-002
School District: Garden Grove Unified
County: Orange
School Name: Pacifica High

PROJECT DATA

Type of Project:	High School
K-6:	
7-8:	
9-12:	
Non-Severe:	
Severe:	
Application Filing Basis:	Site Specific
Number of Classrooms:	61
Master Acres:	
Existing Acres:	39
Proposed Acres:	
Recommended Acres:	47
Facility Hardship (a):	Yes
Financial Hardship Requested:	No
Alternative Education School:	No
Addition to Existing Site:	No

ADJUSTED GRANT DATA

Fire Detection Alarm		$	105,598.00
Sprinkler System			316,794.00
Service Site			1,030,681.00
Utilities			68,697.00
Fac. Hardship Toilets	2,356 Sq. Ft.		839,344.00
Fac. Hardship Other	102,837 Sq. Ft.		17,379,453.00
Total State Share (50%)			19,740,567.00
District Share (50%)			19,740,567.00
Total Project Cost		$	**39,481,134.00**

PROJECT FINANCING

State Share		
This Project	$	19,740,567.00
District Share		
Cash Contribution		19,740,567.00
Financial Hardship		
Total Project Cost	$	**39,481,134.00**

HISTORY OF PROJECT COST AND APPORTIONMENT

	Fund Code	Proposition	Previously Authorized	Authorized This Action	Unfunded Approval This Action
State Share					
New Construction/Add. Grant	**957-505**	**1D**		$ 19,740,567.00	$ 19,740,567.00
District Share					
Cash Contribution				19,740,567.00	
Total			$	$ **39,481,134.00**	$ **19,740,567.00**

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.

Senate Bill 854, Chapter 28, Statutes of 2014, repealed Labor Code (LC) Section 1771.3 which required school districts to provide payment to Department of Industrial Relations (DIR) for prevailing wage monitoring. As a result, school districts awarding a construction contract on or after June 20, 2014 are not mandated to provide payment for DIR monitoring and enforcement of prevailing wage requirements. Projects with an initial public works project awarded on or after June 20, 2014 are not eligible to receive an additional grant for prevailing wage monitoring; however, school districts are still required to notify DIR within five days of initial contract award pursuant to LC Section 1773.3(a)(1).

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

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

STATE ALLOCATION BOARD
APPROVAL ❖ ❖ ❖ June 30, 2015

SCHOOL DISTRICT DATA

Application No:	50/71274-00-001	**County:**	Stanislaus
School District:	Shiloh Elementary	**School Name:**	Shiloh Elementary

PROJECT DATA

Type of Project:		Elementary School	**Application Filing Basis:**	District Wide
Pupils Assigned	**K-6:**	125	**Number of Classrooms:**	6
	7-8:	27	**Existing Acres:**	3.37
	9-12:		**Proposed Acres:**	4.04
	Non-Severe:		**Facility Hardship (a):**	No
	Severe:		**Addition to Existing Site:**	No
Financial Hardship Requested:		Yes		

GRANT DATA

Estimated Total Grant		**Separate Site/Design Grant**	
Site Acquisition 50%	$ 99,362.00	**Total Site Acquisition**	$ 198,724.00
New Construction Grant	1,497,299.00	**Total Design (40% of Grant)**	598,920.00
Total State Share (50%)	1,596,661.00	**Total Site/Design**	$ **797,644.00**
District Share (50%)	1,596,661.00	**Total State Share (50%)**	398,822.00
Total Estimated Cost	$ 3,193,322.00	**District Share (50%)**	398,822.00
		District Cash Contribution	7,181.00
		Financial Hardship	$ 391,641.00

SITE/DESIGN PROJECT FINANCING

State Share	
New Construction Site/Design Grant	$ 398,822.00
District Share	
Cash Contribution	7,181.00
Financial Hardship	391,641.00
Total Site/Design Cost	$ **797,644.00**

HISTORY OF PROJECT COST AND APPORTIONMENT

	Fund Code	Proposition	Previously Authorized	Authorized This Action	Unfunded Approval This Action
State Share					
New Construction Site/Design Grant	**955-500**	**55**		$ 17,357.00	$ 17,357.00
New Construction Site/Design Grant	**055-500**	**55**	$ 381,465.00		
District Share					
Cash Contribution			7,181.00		
Financial Hardship	**955-500**	**55**		17,357.00	17,357.00
Financial Hardship	**055-500**	**55**	374,284.00		
Total			$ **762,930.00**	$ **34,714.00**	$ **34,714.00**

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.

Staff is requesting an adjustment to the previous approval of this project made at the October 16, 2014 SAB meeting. The Site Acquisition Grant has been increased by $34,714 due to an increase in site costs.

Senate Bill 854, Chapter 28, Statutes of 2014 repealed Labor Code (LC) Section 1771.3 which required school districts to provide payment to Department of Industrial Relations (DIR) for prevailing wage monitoring. As a result, school districts awarding a construction contract on or after June 20, 2014 are not mandated to provide payment for DIR monitoring and enforcement of prevailing wage requirements. Projects with an initial public works contract awarded on or after June 20, 2014 are not eligible to receive an additional grant for prevailing wage monitoring; however, school districts are still required to notify DIR within five days of initial contract award pursuant to LC section 1773.3(a)(1).

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

The District qualifies for financial hardship pursuant to SFP Regulation Section 1859.81(c)(4). The District has demonstrated it is financially unable to provide all or a part of the matching funds and is levying the developer fees or equal alternative revenue source justified by law. The District's total bonding capacity (at the date of request) is $5 million or less.

Amounts shown for financial hardship assistance are subject to adjustment as a result of a review of the District's financial records pursuant to Regulation Section 1859.81(a) at the time of apportionment.

SCHOOL DISTRICT DATA

Application No: 51/71803-00-002
School District: Alpaugh Unified
County: Tulare
School Name: Alpaugh Junior-Senior High

PROJECT DATA

Type of Project:	Junior/Senior High School
K-6:	
7-8:	
9-12:	
Non-Severe:	
Severe:	
Application Filing Basis:	District Wide
Number of Classrooms:	10
Master Acres:	31.8
Existing Acres:	18.3
Proposed Acres:	
Recommended Acres:	29.1
Facility Hardship (a):	Yes
Financial Hardship Requested:	Yes
Alternative Education School:	No
Addition to Existing Site:	No

ADJUSTED GRANT DATA

Fire Detection Alarm		$	28,137.00
Project Assistance			5,884.00
Prevailing Wage Monitoring			15,723.00
Site Acquiistion			164,238.00
Service Site			1,306,671.00
Off-Site			17,469.00
Utilities			56,073.00
Fac. Hardship Toilet	1850.6 Sq. Ft.		531,122.00
Fac. Hardship Other	26,285.9 Sq. Ft.		4,179,458.00
Total State Share (50%)			6,304,775.00
District Share (50%)			6,304,775.00
Total Project Cost		$	**12,609,550.00**

PROJECT FINANCING

State Share		
This Project	$	6,304,775.00
District Share		
Cash Contribution		67,582.00
Financial Hardship		6,237,193.00
Total Project Cost	$	**12,609,550.00**

HISTORY OF PROJECT COST AND APPORTIONMENT

	Fund Code	Proposition	Previously Authorized	Authorized This Action	State Apportionment This Action
State Share					
New Construction/Add. Grant	**047-500**	**47**	$ 434,786.50		
New Construction/Add. Grant	**055-500**	**55**	4,332,726.50		
New Construction/Add. Grant	**057-500**	**1D**		$ 1,537,262.00	$ 1,537,262.00
District Share					
Cash Contribution			67,582.00		
Financial Hardship	**047-500**	**47**	367,204.50		
Financial Hardship	**055-500**	**55**	4,332,726.50		
Financial Hardship	**057-500**	**1D**		1,537,262.00	1,537,262.00
Total			$ **9,535,026.00**	$ **3,074,524.00**	$ **3,074,524.00**

Funding Sources: Proposition 47 Bonds/2002-Nov.; Proposition 55 Bonds/2004-Mar.; Proposition 1D Bonds/2006-Nov.
Pursuant to the Board's action on June 30, 2015, the District is required to submit a complete Fund Release Authorization (Form SAB 50-05) on or before September 28, 2015; otherwise, the apportionment will be rescinded without further Board action and will receive a new Unfunded Approval date of September 28, 2015.

The Form SAB 50-05 submittal must contain an original signature from a designated District Representative and must be physically received by the Office of Public School Construction at 707 Third Street, West Sacramento, CA 95605 prior to the close of business on September 28, 2015.

Amounts shown for financial hardship assistance are subject to adjustment as a result of a review of the District's financial records pursuant to Regulation Section 1859.81(a) at the time of apportionment.

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.

The District qualifies for financial hardship pursuant to SFP Regulation Section 1859.81(c)(4). The District has demonstrated it is financially unable to provide all or part of the matching funds and is levying the developer fees or equal alternative revenue source justified by law. The District's total bonding capacity (at the date of request) is $5 million or less.

STATE ALLOCATION BOARD
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SCHOOL DISTRICT DATA

Application No:	58/67058-00-001	**County:**	Riverside
School District:	Desert Sands Unified	**School Name:**	Indio 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:**	53
Alternative Education School:	No	**Existing Acres:**	38

ADJUSTED GRANT DATA

Seismic Rehabilitation	$ 3,261,922.00
Prevailing Wage Monitoring	4,077.00
Total State Share (50%)	3,265,999.00
District Share (50%)	3,265,999.00
Total Project Cost	$ **6,531,998.00**

PROJECT FINANCING

State Share	
This Project	$ 3,265,999.00
District Share	
Cash Contribution	3,265,999.00
Financial Hardship	
Total Project Cost	$ **6,531,998.00**

HISTORY OF PROJECT COST AND APPORTIONMENT

	Fund Code	Proposition	Previously Authorized	Authorized This Action	State Apportionment This Action
State Share					
New Construction/Additional Grant	**057-505**	**1D**	$ 1,970,151.00	$ 1,295,848.00	$ 1,295,848.00
District Share					
Cash Contribution			1,970,151.00	1,295,848.00	
Total			$ **3,940,302.00**	$ **2,591,696.00**	$ **1,295,848.00**

Funding Source: Proposition 1D Bonds/2006-Nov.
Pursuant to the Board's action on June 30, 2015, the District is required to submit a complete Fund Release Authorization (Form SAB 50-05) on or before September 28, 2015; otherwise, the apportionment will be rescinded without further Board action and will receive a new Unfunded Approval date of September 28, 2015.

The Form SAB 50-05 submittal must contain an original signature from a designated District Representative and must be physically received by the Office of Public School Construction at 707 Third Street, West Sacramento, CA 95605 prior to the close of business on September 28, 2015.

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.

APPLICANT DATA

Application No:	59/70573-00-001	**Site Name:**	Wood (Will C.) High
County:	Solano	**Industry Sector:**	Building Trades and Construction
Applicant:	Vacaville Unified	**Pathway:**	Residential and Commercial Construction

PROJECT DATA

Type of Project:	Modernization
Reservation of Funds:	N
Loan Requested:	N
Qualifying SFP Project:	n/a
Number of CTE Classrooms:	0
SFP Classroom Allowance Deduction:	n/a

GRANT DATA

Eligible Project Costs (50%)		
Construction:	$	0.00
Equipment:		190,254.00
Site Development:		0.00
SFP Deduction:		0.00
Total State Share (50%)		190,254.00
District Share (50%)		190,254.00
Total Project Costs	**$**	**380,508.00**

PROJECT FINANCING

	Fund Code	Proposition	Previously Authorized	Authorized This Action	State Apportionment This Action
State Share (50%)					
This Project	**057-600**	**1D**	**$** 400,000.00	**$** (209,746.00)	**$** (209,746.00)
District Share (50%)					
Cash Contribution			400,000.00	(209,746.00)	
Total Project Cost			**$ 800,000.00**	**$ (419,492.00)**	**$ ($209,746.00)**

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

The District has requested a Reservation of Funds. Pursuant to Article 16, Sections 1859.197, the District is required to submit the California Department of Education Plan Approval and the Division of the State Architect approved plans and specifications within 12 months; otherwise, the apportionment will be rescinded without further Board action.

At the District's request, the modernization grant is being removed. The District is withdrawing all construction costs and reducing this project's scope to include equipment only.

Pursuant to the District's certifications on the Form SAB 50-10 and to Section 1859.199, the retention of the apportionment is subject to OPSC verification of the eligible project costs, as identified in Section 1859.193, contained in the California Department of Education Plan Approval and final Division of the State Architect approved plans and specifications.

Pursuant to Section 1859.197, the District is required to submit a complete Fund Release Authorization (Form SAB 50-05) within 18 months of the OPSC acceptance of the California Department of Education plan approval and the Division of the State Architect approved plans and specifications; otherwise, the apportionment will be rescinded without further Board action.

Pursuant to Section 1859.199, provide that the State portion of any and all project savings realized from the funding of a Career Technical Education Facilities 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 30, 2015

SCHOOL DISTRICT DATA	
School District: ..... FRESNO UNIFIED	County:..... FRESNO
Application Number:..... 57/62166-00-129	School Name: ..... Edison High School
Total District Enrollment:..... 73,353	Project Grade Level: K-12
Financial Hardship: ..... NO	

PURPOSE OF REPORT

To present the State Allocation Board (Board) with a reduced Apportionment for Fresno Unified School District (District) School Facility Program application number 57/62166-00-129.

AUTHORITY

See Attachment A.

STAFF ANALYSIS/STATEMENTS

The District received a fund release for a modernization project at Edison High School, application number 57/62166-00-129, in October 2011. The District reported Useable Acres which it believed to be accurate at the time on the *Application for Funding* (Form SAB 50-04). The reported Useable Acres were later found to be inaccurate by the District. On the Form SAB 50-04, the District reported less Useable Acres than were actually available. Based on the Useable Acres reported the project received an excess grant amount of $466,800.

On March 21, 2013 the District sent notice to the Office of Public School Construction (OPSC) clarifying that the Useable Acres for the site is 37.8 acres, rather than the 28.5 acres previously reported. OPSC has verified useable acreage of 37.82. OPSC recalculated the District's grant amount and determined that the amount due back to the State, including interest, is $480,818.84 as outlined below:

Application Number	School	Excess Funding	Interest	Amount Remitted
57/62166-00-129	Edison High	$466,800	$14,019*	$ 480,818.84

* Interest calculated from October 2, 2012 to July 10, 2013.

Conclusion
The District believed that the appropriate Useable Acres was submitted on the Form SAB 50-04. When the excess amount was identified, the District promptly issued a check for the project in the amount of $480,818.84 for the excess grant amount received and the interest earned. Staff recommends approval of the attached funding item to reflect the reduction in the District's apportionment for the excess grant amount and the interest.

RECOMMENDATION

Approve the reduced apportionment included as Attachment B.

ATTACHMENT A

School Facility Program (SFP) Regulation Section 1859.2. Definitions states the following.

> "Useable Acres" means the gross acreage of a school site less any portion of the site publicly dedicated for off-site street improvements and any portion of the site not available for school purposes as determined by the CDE because of topological impediments or because of other unique circumstances.

SFP Regulation Section 1859.83 states the following:

> 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. The Excessive Cost Hardship Grant shall be based on any of the following:
>
> …
>
> (d) Excessive Cost Due to Urban Location, Security Requirements and Impacted Site.
>
> …
>
> (2) Excluding Joint-Use Projects, the district is eligible for an Excessive Cost Hardship Grant if all of the following conditions are met, as applicable:
> (A) the Useable Acres of the site for the project are 60 percent or less of the CDE recommended site size based on:
> 1. the current CBEDS Report at the existing site, if any, at the time of the CDE final plan approval for the project, if any, plus the greater of the Net School Building Capacity of the final new construction project plans submitted to the DSA as calculated in Education Code Section 17071.25(a)(2) or the pupil grants requested in the COS or Charter School project. The Useable Acres will include the existing site that is being utilized for this project plus any additional acreage to be acquired as a part of the Application.
> 2. the current CBEDS Report at the site at the time of the CDE final plan approval for the modernization project.
> (B) at least 60 percent of the classrooms in the construction plans are in multistory facilities for any type of new construction project.
> (C) the value of the site being acquired for a new construction project on a new site is at least $750,000 per Useable Acre.
>
> …

SCHOOL DISTRICT DATA

Application No:	57/62166-00-129	**County:**	Fresno
School District:	Fresno Unified	**School Name:**	Edison High

PROJECT DATA

Type of Project:		High School	**Application Filing Basis:**		Site Specific
Pupils Assigned Under 50 Yrs:	**K-6:**		**Pupils Assigned Over 50 Yrs:**	**K-6:**	
	7-8:			**7-8:**	
	9-12:	322		**9-12:**	149
	Non-Severe:			**Non-Severe:**	
	Severe:	5		**Severe:**	3
Financial Hardship Requested:		No	**Recommended Acres:**		55.3
Alternative Education School:		No	**Existing Acres:**		28.76

ADJUSTED GRANT DATA

Modernization Grant - Under 50 Yrs	$	1,602,158.00
Modernization Grant - Over 50 Yrs		1,040,506.00
Fire Detection Alarm		54,761.00
Accessibility/Fire Code Req.		79,280.00
High Performance (2.28%)		310,253.00
Total State Share (60%)		3,086,958.00
District Share (40%)		2,057,972.00
Total Project Cost	$	**5,144,930.00**

PROJECT FINANCING

State Share		
This Project	$	3,086,958.00
District Share		
Cash Contribution		2,057,972.00
Financial Hardship		
Total Project Cost	$	**5,144,930.00**

HISTORY OF PROJECT COST AND APPORTIONMENT

	Fund Code	Proposition	Previously Authorized	Authorized This Action	State Apportionment This Action
State Share					
Modernization/Additional Grant	**057-570**	**1D**	$ 3,243,505.00	$ (466,800.00)	$ (466,800.00)
High Performance	**057-700**	**1D**	310,253.00		
District Share					
Cash Contribution			2,369,172.00	(311,200.00)	
Total			$ **5,922,930.00**	$ **(778,000.00)**	$ **(466,800.00)**

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

Errors and Omissions: Staff is requesting an adjustment to the previous apportionment for this project made at the June 27, 2012 State Allocation Board meeting. The Urban/Security/Impact Site funding of $466,800 has been removed as the project does not meet the requirements per School Facility Program Section 1859.83(d). This amount, released to the District in October 2012, plus $14,018.84 in interest has been returned to the State by the District on July 30, 2014.

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

Application Number:……...50/64113-00-001 School District:……..Johnstonville Elementary

County:……..……..……....Lassen School Name:…..……...Johnstonville Elementary

Financial Hardship……..Yes Date of Financial Hardship Status:……..……May 13, 2006

Qualifying Financial Hardship Criteria: SFP Regulation 1859.81(c)(4).

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 $6,800. 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 and agrees to return State funds in the amount of $6,800.

Detail of Final Cost & Financing

Budget Item	Currently Approved	Required Change	Revised Approval
SFP New Construction	$ 1,883,182	$ (3,400)	$ 1,879,782
SFP Service Site	230,153	0	230,153
SFP Utilities	9,184	0	9,184
SFP Geographic Index	188,557	0	188,557
SFP Financial Hardship	2,305,234	(3,400)	2,301,834
SFP Project Assistance	4,847	0	4,847
SFP Fire Detection/Alarm	2,386	0	2,386
SFP Labor Compliance Program	19,019	0	19,019
Total State Apportionment	$ 4,642,562	$ (6,800)	$ 4,635,762
Financing			
State (SFP)	$ 2,337,328	$ (3,400)	$ 2,333,928
Financial Hardship (SFP)	2,305,234	(3,400)	2,301,834
District Contribution	32,094	0	32,094
Total Project Costs	$ 4,674,656	$ (6,800)	$ 4,667,856

RECOMMENDATIONS

1. Approve a decrease of $6,800 in the total project cost from $4,674,656 to $4,667,856.
2. Approve a decrease of $3,400 in the State Apportionment [Bonds/2004-Mar.; 055-500] from $2,337,328 to $2,333,928.
3. Approve a decrease of $3,400 in the Financial Hardship Contribution [Bonds/2004-Mar.; 055-500] from $2,305,234 to $2,301,834.
4. Require the District to return State funds in the amount of $6,800.

SCHOOL DISTRICT DATA

Application Number:……50/61200-00-003 School District:…..……Livermore Valley Joint Unified

County:……..……Alameda School Name:…..……..……Livermore 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. The District incurred additional eligible expenditures per SFP Regulation Sections 1859.74 and 1859.106 and may receive additional site acquisition, and site other funding in the amount of $79,180. The District has concurred with these findings and is eligible for unfunded approval in the amount of $79,180.

Detail of Final Cost & Financing

Budget Item	Currently Approved	Required Change	Revised Approval
SFP New Construction	$ 2,770,384	$ 0	$ 2,770,384
SFP Site Acquistion	1,617,500	76,134	1,693,634
SFP Site Other	64,700	3,046	67,746
SFP Service Site	111,974	0	111,974
SFP General Site	124,056	0	124,056
SFP Offsite	14,167	0	14,167
SFP Utilities	2,252	0	2,252
SFP Site DTSC Fee	23,510	0	23,510
SFP Site Hazardous Removal	34,093	0	34,093
SFP Fire Detection/Alarm	5,362	0	5,362
Total State Apportionment	$ 4,767,998	$ 79,180	$ 4,847,178
Financing			
District Contribution	$ 4,767,998	$ 79,180	$ 4,847,178
State (SFP)	4,767,998	79,180	4,847,178
Financial Hardship (SFP)	0	0	0
Total Project Costs	$ 9,535,996	$ 158,360	$ 9,694,356

RECOMMENDATIONS

1. Approve an increase of $158,360 in the total project cost from $9,535,996 to $9,694,356.
2. Approve an increase of $79,180 in the District Contribution from $4,767,998 to $4,847,178.
3. Approve an increase of $79,180 in the State Apportionment [Bonds/2006-Nov.; 957-500] from $4,767,998 to $4,847,178.
4. Approve an unfunded approval in the amount of $79,180.

SCHOOL DISTRICT DATA

Application Number:……50/64733-00-048 School District:…..……..Los Angeles Unified

County:…….…..……..Los Angeles School Name:…..……Valley High No. 1

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. The District incurred additional eligible expenditures per SFP Regulation Sections 1859.74 and 1859.106 and may receive additional Department of Toxic Substances Control (DTSC) funding in the amount of $555. The District has concurred with this finding and is eligible for an unfunded approval in the amount of $555.

Detail of Final Cost & Financing

Budget Item	Currently Approved	Required Change	Revised Approval
SFP New Construction	$ 10,969,200	$ 0	$ 10,969,200
SFP Multi Level Construction	975,110	0	975,110
SFP Site Other	25,000	0	25,000
SFP Service Site	2,083,016	0	2,083,016
SFP Offsite	55,302	0	55,302
SFP Utilities	86,245	0	86,245
SFP Urban Security	5,484,600	0	5,484,600
SFP Site DTSC Fee	12,509	555	13,064
SFP Fire Detection/Alarm	39,514	0	39,514
SFP Fire Sprinklers	171,906	0	171,906
Total State Apportionment	$ 19,902,402	$ 555	$ 19,902,957
Financing			
District Contribution	$ 19,902,402	$ 556	$ 19,902,958
State (SFP)	19,902,402	555	19,902,957
Total Project Costs	$ 39,804,804	$ 1,111	$ 39,805,915

RECOMMENDATIONS

1. Approve an increase of $1,111 in the total project cost from $39,804,804 to $39,805,915.
2. Approve an increase of $556 in the District Contribution from $19,902,402 to $19,902,958.
3. Approve an increase of $555 in the State Apportionment [Bonds/1998-Nov.; 919-501] from $19,902,402 to $19,902,957.
4. Approve an unfunded approval in the amount of $555.

SCHOOL DISTRICT DATA

Application Number:……..50/10363-02-052
School District:…….. San Bernardino County Office of Ed.
County:……..San Bernardino
School Name:…..……..……..Del Norte Elementary
Financial Hardship…….……..……..…Yes
Date of Financial Hardship Status ..…...……June 18, 2008

Qualifying Financial Hardship Criteria: SFP Regulation 1859.81(c)(3).

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 $1,912. SFP 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 $1,912.

Detail of Final Cost & Financing

Budget Item	Currently Approved	Required Change	Revised Approval
SFP New Construction	$ 457,730	$ (956)	$ 456,774
SFP Service Site	54,678	0	54,678
SFP Small School	54,928	0	54,928
SFP Financial Hardship	577,285	(956)	576,329
SFP Fire Detection/Alarm	858	0	858
SFP Labor Compliance Program	9,091	0	9,091
Total State Apportionment	$ 1,154,570	$ (1,912)	$ 1,152,658
Financing			
State (SFP)	$ 577,285	$ (956)	$ 576,329
Financial Hardship (SFP)	577,285	(956)	576,329
Total Project Costs	$ 1,154,570	$ (1,912)	$ 1,152,658

RECOMMENDATIONS

1. Approve a decrease of $1,912 in the total project cost from $1,154,570 to $1,152,658.
2. Approve a decrease of $956 in the State Apportionment [Bonds/2004-Mar.; 055-500] from $577,285 to $576,329.
3. Approve a decrease of $956 in the Financial Hardship Contribution [Bonds/2004-Mar.; 055-500] from $577,285 to $576,329.
4. Require the District to return State funds in the amount of $1,912.

SCHOOL DISTRICT DATA

Application Number:……...50/10397-00-016 School District:……San Joaquin County Office of Education

County:…….……..……...…San Joaquin School Name:…..……..……McFall Elementary

Financial Hardship……..Yes Date of Financial Hardship Status:……..……..January 22, 2007

Qualifying Financial Hardship Criteria: SFP Regulation 1859.81(c)(3).

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 $70,958 and interest earned of $911 due after three years. 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 State funds in the amount of $71,869.

Detail of Final Cost & Financing

Budget Item	Currently Approved	Required Change	Revised Approval
SFP New Construction	$ 433,188	$ (35,479)	$ 397,709
SFP SDC Therapy	31,995	0	31,995
SFP Service Site	23,145	0	23,145
SFP Offsite	205	0	205
SFP Utilities	15,090	0	15,090
SFP Small School	51,983	0	51,983
SFP Financial Hardship	597,243	(35,479)	561,764
SFP SDC Therapy Toilet	30,008	0	30,008
SFP Fire Detection/Alarm	1,150	0	1,150
SFP Fire Sprinklers	1,074	0	1,074
SFP Labor Compliance Program	9,405	0	9,405
Total State Apportionment	$ 1,194,486	$ (70,958)	$ 1,123,528
Financing			
State (SFP)	$ 597,243	$ (35,479)	$ 561,764
Financial Hardship (SFP)	597,243	(35,479)	561,764
Total Project Costs	$ 1,194,486	$ (70,958)	$ 1,123,528

RECOMMENDATIONS

1. Approve a decrease of $70,958 in the total project cost from $1,194,486 to $1,123,528.
2. Approve a decrease of $35,479 in the State Apportionment [Bonds/2004-Mar.; 055-500] from $597,243 to $561,764.
3. Approve a decrease of $35,479 in the Financial Hardship Contribution [Bonds/2004-Mar.; 055-500] from $597,243 to $561,764.
4. Require the District to return State funds in the amount of $70,958.
5. Require the District to return interest in the amount of $911.

STATE ALLOCATION BOARD
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SCHOOL DISTRICT DATA

Application Number:……...50/10397-00-018 School District:……San Joaquin County Office of Education

County:……..……..……..…San Joaquin School Name:…….…..…Manteca Elementary

Financial Hardship……..Yes Date of Financial Hardship Status:……..……..January 22, 2007

Qualifying Financial Hardship Criteria: SFP Regulation 1859.81(c)(3).

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 $151,168 and interest earned of $2,863 due after three years. 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 State funds in the amount of $154,031.

Detail of Final Cost & Financing

Budget Item	Currently Approved	Required Change	Revised Approval
SFP New Construction	$ 433,188	$ (75,584)	$ 357,604
SFP SDC Therapy	31,995	0	31,995
SFP Service Site	86,210	0	86,210
SFP Utilities	29,469	0	29,469
SFP Small School	51,983	0	51,983
SFP Financial Hardship	675,718	(75,584)	600,134
SFP SDC Therapy Toilet	30,008	0	30,008
SFP Fire Detection/Alarm	1,150	0	1,150
SFP Fire Sprinklers	1,074	0	1,074
SFP Labor Compliance Program	10,641	0	10,641
Total State Apportionment	$ 1,351,436	$ (151,168)	$ 1,200,268
Financing			
State (SFP)	$ 675,718	$ (75,584)	$ 600,134
Financial Hardship (SFP)	675,718	(75,584)	600,134
Total Project Costs	$ 1,351,436	$ (151,168)	$ 1,200,268

RECOMMENDATIONS

1. Approve a decrease of $151,168 in the total project cost from $1,351,436 to $1,200,268.
2. Approve a decrease of $75,584 in the State Apportionment [Bonds/2004-Mar.;055-500] from $675,718 to $600,134.
3. Approve a decrease of $75,584 in the Financial Hardship Contribution [Bonds/2004-Mar.; 055-500] from $675,718 to $600,134.
4. Require the District to return State funds in the amount of $151,168.
5. Require the District to return interest in the amount of $2,863.

STATE ALLOCATION BOARD
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SCHOOL DISTRICT DATA

Application Number:…….50/10397-00-019 School District:…San Joaquin County Office of Education

County:…….…….…San Joaquin School Name:…….……..Colonial Elementary

Financial Hardship……..Yes Date of Financial Hardship Status:……..July 23, 2009

Qualifying Financial Hardship Criteria: SFP Regulation 1859.81(c)(3).

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 $337,001. SFP Regulation Section1859.103 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 a 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 States funds in the amount of $337,001.

SFP New Construction	$ 473,833	$ (273,197)	$ 200,636
SFP Secondary SDC Therapy	11,100	0	11,100
SFP Service Site	51,554	0	51,554
SFP Small School	56,860	0	56,860
SFP Financial Hardship	63,804	(63,804)	0
SFP SDC Therapy Toilet	37,808	0	37,808
SFP Fire Detection/Alarm	1,078	0	1,078
SFP Sprinklers	9,588	0	9,588
SFP Labor Compliance Program	10,269	0	10,269
Total State Apportionment	$ 715,893	$ (337,001)	$ 378,893
Financing			
District Contribution	$ 588,286	$ 0	$ 588,286
State (SFP)	652,089	(273,197)	378,892
Financial Hardship (SFP)	63,804	(63,804)	0
Total Project Costs	$ 1,304,179	$ (337,001)	$ 967,178

RECOMMENDATIONS

1. Approve a decrease of $337,001 in the total project cost from $1,304,179 to $967,178.
2. Approve a decrease of $273,197 in the State Apportionment [Bonds/2002-Nov.; 047-500] from $652,089 to $378,892.
3. Approve a decrease of $63,804 in the Financial Hardship Contribution [Bonds/2004-Mar.; 055-500] from $63,804 to $0.
4. Require the District to return State funds in the amount of $337,001.

SCHOOL DISTRICT DATA

Application Number:……50/75499-00-018
School District:…..……Tracy Joint Unified
County:……..……..San Joaquin
School Name:…..……...Kimball 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. The District incurred additional eligible expenditures per SFP Regulation Sections 1859.74 and 1859.106 and may receive additional site acquisition, Department of Toxic Substances Control (DTSC), and site other funding in the amount of $3,066,777. The District has concurred with these findings and is eligible for an unfunded approval in the amount of $3,066,777.

Detail of Final Cost & Financing

Budget Item	Currently Approved	Required Change	Revised Approval
SFP New Construction	$ 25,799,577	$ 0	$ 25,799,577
SFP Site Acquisition	1,734,250	2,944,449	4,678,699
SFP Site Other	69,370	117,778	187,148
SFP Service Site	2,895,223	0	2,895,223
SFP General Site	1,744,665	0	1,744,665
SFP Offsite	3,465,624	0	3,465,624
SFP Utilities	129,970	0	129,970
SFP Site DTSC Fee	5,285	4,550	9,835
SFP Fire Detection/Alarm	51,998	0	51,998
SFP Fire Sprinklers	398,529	0	398,529
Labor Compliance Program	151,742	0	151,742
Total State Apportionment	$ 36,446,233	$ 3,066,777	$ 39,513,010
Financing			
District Contribution	$ 36,446,233	$ 3,066,778	$ 39,513,011
State (SFP)	36,446,233	3,066,777	39,513,010
Total Project Costs	$ 72,892,466	$ 6,133,555	$ 79,026,021

RECOMMENDATIONS

1. Approve an increase of $6,133,555 in the total project cost from $72,892,466 to $79,026,021.
2. Approve an increase of $3,066,778 in the District Contribution from $36,446,233 to $39,513,011.
3. Approve an increase of $3,066,777 in the State Apportionment [Bonds/2004-Mar.; 955-500] from $36,446,233 to $39,513,010.
4. Approve an unfunded approval in the amount of $3,066,777.

SCHOOL DISTRICT DATA

Application Number:……..50/67934-00-005 School District:…..……...Victor Valley Union High

County:…….……..……..San Bernardino School Name:…….…….…Hook Junior High

Financial Hardship……Yes Date of Financial Hardship Status…….....December 1, 2005

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

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 $292,959. SFP 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 $292.959.

Budget Item	Currently Approved	Required Change	Revised Approval
SFP New Construction	$ 2,164,050	$ (146,480)	$ 2,017,570
SFP Service Site	126,626	0	126,626
SFP Utilities	14,232	0	14,232
SFP Financial Hardship	2,421,459	(146,479)	2,274,980
SFP Fire Detection/Alarm	3,510	0	3,510
SFP Energy	93,754	0	93,754
SFP Labor Compliance Program	19,287	0	19,287
Total State Apportionment	$ 4,842,918	$ (292,959)	$ 4,549,959
Financing			
State (SFP)	$ 2,421,459	$ (146,480)	$ 2,274,979
Financial Hardship (SFP)	2,421,459	(146,479)	2,274,980
Total Project Costs	$ 4,842,918	$ (292,959)	$ 4,549,959

RECOMMENDATIONS

1. Approve a decrease of $292,959 in the total project cost from $4,842,918 to $4,549,959.
2. Approve a decrease of $146,480 in the State Apportionment [Bonds/2002-Nov.; 047-501] from $2,421,459 to $2,274,979.
3. Approve a decrease of $146,479 in the Financial Hardship Contribution [Bonds/2002-Nov.; 047-501] from $2,421,459 to $2,274,980.
4. Require the District to return State funds in the amount of $292,959.

SCHOOL DISTRICT DATA

Application Number:……..50/67934-00-006 School District:…..……...Victor Valley Union High

County:…….……..……..San Bernardino School Name:…….……..…Goodwill High

Financial Hardship……Yes Date of Financial Hardship Status…….....December 1, 2005

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

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 $199,103. SFP 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 $199.103.

Detail of Final Cost & Financing

Budget Item	Currently Approved	Required Change	Revised Approval
SFP New Construction	$ 11,013,840	$ (99,552)	$ 10,914,288
SFP Site Other	25,000	0	25,000
SFP Service Site	1,727,635	0	1,727,635
SFP General Site	596,889	0	596,889
SFP Offsite	307,327	0	307,327
SFP Utilities	238,413	0	238,413
SFP Financial Hardship	14,688,750	(99,551)	14,589,199
SFP Site DTSC Fee	1,842	0	1,842
SFP Fire Detection/Alarm	23,760	0	23,760
SFP Fire Sprinklers	179,280	0	179,280
SFP Energy	504,479	0	504,479
SFP Labor Compliance Program	70,285	0	70,285
Total State Apportionment	$ 29,377,500	$ (199,103)	$ 29,178,397
Financing			
State (SFP)	$ 14,688,750	$ (99,552)	$ 14,589,198
Financial Hardship (SFP)	14,688,750	(99,551)	14,589,199
Total Project Costs	$ 29,377,500	$ (199,103)	$ 29,178,397

RECOMMENDATIONS

1. Approve a decrease of $199,103 in the total project cost from $29,377,500 to $29,178,397.
2. Approve a decrease of $99,552 in the State Apportionment [Bonds/2004-Mar.; 055-500] from $14,688,750 to $14,589,198.
3. Approve a decrease of $99,551 in the Financial Hardship Contribution [Bonds/2004-Mar.; 055-500] from $14,688,750 to $14,589,199.
4. Require the District to return State funds in the amount of $199,103.

STATE ALLOCATION BOARD
APPROVAL ❖ ❖ ❖ June 30, 2015

SCHOOL DISTRICT DATA

Application Number:……..55/68585-00-001 School District:…..…….....Lodi Unified
County:……..……..……San Joaquin School Name:…..……..Lodi 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 $622,038. SFP Regulation Section 1859.199 states "an applicant district may not retain savings realized by a Career Technical Education Facilities Project." The District has concurred with the findings and agrees to return the State funds in the amount of $311,019.

Detail of Final Cost & Financing

Budget Item	Currently Approved	Required Change	Revised Approval
SFP New Construction	$ 839,236	$ (266,725)	$ 572,511
SFP Site Development	127,000	0	127,000
SFP CTE Equipment	71,650	(44,294)	27,356
Total State Apportionment	$ 1,037,886	$ (311,019)	$ 726,867
Financing			
District Contribution	$ 1,037,886	$ (311,019)	$ 726,867
State (SFP)	1,037,886	(311,019)	726,867
Total Project Costs	$ 2,075,772	$ (622,038)	$ 1,453,734

RECOMMENDATIONS

1. Approve a decrease of $622,038 in the total project cost from $2,075,772 to $1,453,734.
2. Approve a decrease of $311,019 in the District Contribution from $1,037,886 to $726,867.
3. Approve a decrease of $311,019 in the State Apportionment [Bonds/2006 -Nov.; 057-600] from $1,037,886 to $726,867.
4. Require the District to return State funds in the amount of $311,019.

SCHOOL DISTRICT DATA

Application Number:…….59/66548-00-001 School District:……..…...Huntington Beach Union High

County:…….…..……...Orange School Name:…..……..…Huntington Beach 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 and has savings in the amount of $494,691. SFP Regulation Section1859.199 states "an applicant district may not retain savings realized by a Career Technical Education Facilities Project ". The District has concurred with the findings and agrees to return the State funds in the amount of $494,691.

Detail of Final Cost & Financing

Budget Item	Currently Approved	Required Change	Revised Approval
SFP Modernization	$ 313,830	$ 0	$ 313,830
SFP Secondary SDC Therapy	0	0	0
SFP Service Site	0	0	0
SFP Small School	0	0	0
SFP Financial Hardship	0	0	0
SFP SDC Therapy Toilet	0	0	0
SFP Fire Detection/Alarm	0	0	0
SFP CTE Equipment	1,114,166	(494,691)	619,475
SFP Labor Compliance Program	0	0	0
Total State Apportionment	$ 1,427,996	$ (494,691)	$ 933,305
Financing			
District Contribution	$ 1,427,996	$ (494,691)	$ 933,305
State (SFP)	1,427,996	(494,691)	933,305
Total Project Costs	$ 2,855,992	$ (989,382)	$ 1,866,610

RECOMMENDATIONS

1. Approve a decrease of $989,382 in the total project cost from $2,855,992 to $1,866,610
2. Approve a decrease of $494,691 in the District Contribution from $1,427,996 to $933,305.
3. Approve a decrease of $494,691 in the State Apportionment [Bonds/2006-Nov.; 057-600] from $1,427,996 to $933,305.
4. Require the District to return State funds in the amount of $494,691.

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, June 30, 2015

SCHOOL FACILITY PROGRAM
SUBSTANTIAL PROGRESS REDUCTION TO COSTS INCURRED

PURPOSE OF REPORT

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

DESCRIPTION

The SFP project listed on the Attachment is a project that received separate design and site apportionments. The District has 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 apportionments be reduced to costs incurred to recognize eligible costs for the design and site phase.

AUTHORITY

Pursuant to Education Code Section 17076.10(b), sufficient evidence of substantial progress for the separate design and site 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, all State funds not used to finance eligible expenditures are to be returned to the State Allocation Board (SAB). The SFP Regulations also stipulate that interest earned on State funds, which is not used to finance eligible expenditures, is due to the SAB.

RECOMMENDATIONS

1. Find that the District is unable to meet the substantial progress requirements or 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.
3. Direct Staff to adjust the District's baseline eligibility, according to the increase (identified in the "Pupils Returned to the District's Baseline" column) on the Attachment, once all funds due to the State have been received.

ATTACHMENT
SCHOOL FACILITY PROGRAM
SUBSTANTIAL PROGRESS REDUCTION TO COSTS INCURRED
State Allocation Board Meeting, June 30, 2015

	District/ County/ Application Number	Pupil Grant Adjustments: Original Pupils Assigned to Apportionment: Type of Pupils	Number of Pupils	Pupils Returned to the District's Baseline: Number of Pupils	Grant Adjustments: Original Apportionment	Interest	Amount of Eligible Expenditures	Reduction in Apportionment
Design Grant	Center Joint Unified Sacramento 50/73973-00-002	K-6 9-12	735 173	908	$781,576	$44,349	$507,150	$318,775
Site Grant	Center Joint Unified* Sacramento 50/73973-00-002	N/A	N/A	N/A	$3,081,000	$221,179	$2,180,085	$1,122,094
							TOTAL	$1,440,869

*Pupil grants are not assigned to site grants.

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, June 30, 2015

SITE SALE PROCEEDS

PURPOSE OF REPORT

To present Encinitas Union School District's (District) request to deposit proceeds from the sale of surplus real property (Pacific View Site), 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 its request.

RECOMMENDATIONS

1. Approve the request to transfer site sale proceeds in the amount of $10,000,000.00 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

SITE SALE PROCEEDS
State Allocation Board Meeting, June 30, 2015

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

Encinitas Union School District – 50/68080-00-000

Sale proceeds		$ 10,000,000.00
General Fund purpose	Less	$ 10,000,000.00
Remaining Balance to Special Reserve for Capital Outlay Fund (Fund 40)		$ 0.00

Breakdown of General Fund purpose:

Purchase Bonds*	$10,000,000.00

*Revenue from bonds will be used to support technology needs, capital facilities, and replace reserves.

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.

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, June 30, 2015

SITE SALE PROCEEDS

PURPOSE OF REPORT

To present Mt. Pleasant School District's (District) request to deposit proceeds from the sale of surplus real property (Fred Marten School Site), 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 its request.

RECOMMENDATIONS

1. Approve the request to transfer site sale proceeds in the amount of $2,120,947.47 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

SITE SALE PROCEEDS
State Allocation Board Meeting, June 30, 2015

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

Mt. Pleasant School District – 50/69617-00-000

Sale proceeds		$5,000,000.00
General Fund purpose	Less	$2,120,947.47
Remaining Balance to Special Reserve for Capital Outlay Fund (Fund 40)		$2,879,052.53

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 $1,750,000 will be expended for one-time only General Fund purposes in the future.

Breakdown of General Fund purpose:

General Fund Reserve	$1,750,000.00
Technology	$ 150,000.00
Capital Facilities	$ 220,947.47
	$2,120,947.47

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.

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, June 30, 2015

CHARTER SCHOOL FACILITIES PROGRAM
EXTENSION TO CONVERSION DEADLINE

PURPOSE OF REPORT

To present ICEF Public Schools (Charter School) request for a one-year extension to the conversion deadline to their Lou Dantzler Middle School project (Application Number 54/64733-00-064).

DESCRIPTION

Charter schools participating in the Charter School Facilities Program (CSFP) must convert a preliminary apportionment (PA) within a four-year period. This item requests a one-year extension be applied to the conversion deadline for Lou Dantzler Middle School, as provided for in regulation.

AUTHORITY

See Attachment A.

BACKGROUND

The CSFP provides PAs (reservations of bond authority) for new construction and rehabilitation projects. The PA for a CSFP project must be converted within a four-year period to an adjusted grant apportionment meeting all the School Facilities Program (SFP) criteria, unless a single one-year extension is granted.

Charter schools may request the State Allocation Board approve a one-year extension. The request will be approved when a charter school meets one of the following sets of criteria:

- The charter school has provided evidence of both of the following:
  - The California Department of Education (CDE) has made a contingent or final approval of the proposed site; and,
  - The Division of the State Architect (DSA) has confirmed that the final plans for the project have been submitted to the DSA for review and approval.
- Other evidence satisfactory to the Board justifying the extension.

STAFF ANALYSIS/COMMENTS

The Charter School's current conversion deadline is November 13, 2015. The Charter School received a contingent site approval from CDE in May 2012 and submitted plans to DSA in April 2015. The Charter School anticipates receiving DSA final plan approval in November 2015 and submitting a conversion application to the Office of Public School Construction in April of 2016. Staff has reviewed the Charter School's request (Attachment B), which provides satisfactory evidence to justify the extension. Staff supports the Charter School's request for a one-year extension to the conversion deadline. The new conversion deadline would be November 13, 2016.

RECOMMENDATION

Approve the Charter School's request for a single one-year extension to its conversion deadline. Require that the PA for Lou Dantzler Middle School be converted to a final apportionment by November 13, 2016, or it will be rescinded and the bond authority returned to the CSFP.

ATTACHMENT A

AUTHORITY

School Facility Program (SFP) Section 1859.166. Time Limit on Preliminary Charter School Apportionment.

(a) A complete request to convert a Preliminary Charter School Apportionment to a Final Charter School Apportionment pursuant to Section 1859.165 shall be made within four years of the date of the Preliminary Charter School Apportionment unless the Charter School received approval of an extension pursuant to Section 1859.166.1.
(b) If (a) is not met, and the Charter School has not received an advance release of funds as provided in Section 1859.164.2, the following will occur:
(1) the Preliminary Charter School Apportionment shall be rescinded and any remaining Preliminary Charter School Apportionment, not released to the Charter School, shall be transferred to the Unrestricted Charter School Fund within the appropriate Charter School Facility Account, and;
(2) the SFP New Construction Eligibility will be increased by the number of unhoused pupils pursuant to Section 1859.162.2 for the school district that physically contains the Charter School within its geographical boundaries.
(c) If (a) is not met, and the Charter School has received an advance release of funds as provided in Section 1859.164.2, the following will occur:
(1) The Preliminary Charter School Apportionment shall be rescinded and any remaining Preliminary Charter School Apportionment, not released to the Charter School, shall be transferred to the Unrestricted Charter School Fund within the appropriate Charter School Facility Account, and;
(2) Funds released pursuant to Section 1859.164.2(a) shall be reduced to cost incurred and closed-out pursuant to Section 1859.106 with a corresponding SFP new construction baseline eligibility adjustment for the pupils assigned to the Preliminary Charter School Application. The adjustment to the baseline eligibility shall be based on the ratio of the number of unhoused pupils pursuant to Section 1859.162.2 and the project capacity which generated the project funding to the eligible expenditures. Any funds released are subject to the fifty percent local matching share requirement as required by EC 17078.54(d). Funds returned pursuant to Section 1859.106 shall be transferred to the Unrestricted Charter School Fund within the appropriate Charter School Facility Account, and;
(3) Funds released pursuant to Section 1859.164.2(b) shall be subject to the provisions of Section 1859.171.

SFP Section 1859.166.1. Preliminary Charter School Apportionment Time Limit Extension.

A Charter School that has received a Preliminary Charter School Apportionment may request a single one-year extension of the time limit prescribed in Section 1859.166(a). The Board shall approve the request provided the criteria in (a) or (b) are met:
(a) The Charter School has provided evidence of both of the following:
(1) The CDE has made a contingent or final approval of the proposed site; and,
(2) The DSA has confirmed that the final plans for the project have been submitted to the DSA for review and approval.
(b) Other evidence satisfactory to the Board justifying the extension.

ICEF Public Schools

Board of Directors

Richard Riordan, Chairman
Former Mayor of the City of Los Angeles

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Mount Saint Mary's University

ICEF Public School Families

View Park Preparatory Accelerated Charter Schools *(TK-12)*

Frederick Douglass Academy Charter Schools *(TK-12)*

Lou Dantzler Preparatory Charter Schools *(TK-8)*

ICEF Vista Charter Academy *(TK-8)*

ICEF Inglewood Charter Academies *(TK-8)*

May 22, 2015

Erin Cuneen
Project Manager
Charter School Facilities Program
Office of Public School Construction
State of California – Department of General Services
707 Third Street
West Sacramento, CA 95606

Re: **Request for Extension of Time to Convert**
Lou Dantzler Middle School
Application Number 64733-0064
PTN 64733-3326

Dear Ms. Cunneen:

This letter is being written to request an extension to the Lou Dantzler Middle School Proposition 1D project whose original application number is 64733-0064. The PTN is 64733-3326. This request is to extend the conversion deadline to November 7, 2016.

Because this project lies within the jurisdiction of not only the Division of State Architects, but also the City of Los Angeles, Planning Department, Bureau of Engineering, Department of Transportation, Fire Department, Department of Water and Power, and the Los Angeles Department of Building and Safety, each department has been requesting jurisdiction over various portions of the project. It has taken several months for us to reach a determination that the Division of State Architects will be responsible for all activities within the physical property lines and the various departments within the City of Los Angeles will be responsible for all activities outside those lines. These conversations and multiple jurisdictions have caused numerous time delays and much confusion, which result in our inability to meet the November 7, 2015 deadline.

The architect has completed and submitted initial set of plans to the Division of State Architects. They have been accepted and are in process. We expect to have a completely approved set of DSA plans by the end of November of 2015.

We are also in the process of working through final DTSC approval for the project. All of the testing has been completed and has been verified. The report is now in preparation and we expect DTSC approval to be obtained in October of 2015.

We are also in the process of completing the required environmental review for the project. The environmental review is awaiting both the DTSC approval and finalization of the traffic study. We expect these to be completed in June of 2015. With these, we will be able to complete the environmental review as a Mitigated Negative Declaration by October of 2015.

In dealing with the various City of Los Angeles departments, it is difficult to estimate when these activities will be completed as the city's timeframes can range from 4 to 9 months depending on the department, their schedules, the depth of the project, and the number of applications that are in process. In looking at an outside timeframe, we

5120 W. Goldleaf Circle, Suite 350, Los Angeles, CA 90056
Office: 323.290.6900 | Fax: 323.293.9092 | www.icefps.org

ICEF Public Schools

would expect to have all department approvals, including any plan and permitting approvals, no later than April of 2016.

Also, prior to our being able to convert, CSFA is requiring an updated financial soundness review. We are currently planning on completing this in either November or December of 2015, depending on CSFA's Board schedule and any additional requirements they might have.

To be transparent, all of these activities are currently in process. However, the timelines will vary as we are dealing with multiple governmental entities. We do, however, anticipate that these are a conservative projection of the timelines. Ultimately, we would like to be ready to convert in April after our final city approvals, but we are asking for the one year extension to November 7, 2016, to cover any possible unforeseen additional delays.

Respectfully,

Parker Hudnut
Chief Executive Officer
ICEF Public Schools
Email: phudnut@icefps.org

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, June 30, 2015

FIVE-YEAR REPAYMENT SCHEDULE

PURPOSE OF REPORT

To amend Envision School's (Charter School) request for a five-year repayment schedule for the City Arts and Technology Charter School Charter School Facilities Program (CSFP) grant (Application Number 54/68478-28-001).

DESCRIPTION

As a result of findings approved by the State Allocation Board (Board) at the October 2014 meeting, the Charter School is required to repay the State $1,287,519. The Charter School was approved for a five-year repayment plan, as immediate payment of the full amount would adversely affect the Charter School's finances.

This item requests the Board's approval to amend the repayment plan previously approved. If approved, the Charter would only be required to repay the State's share of the repayment, $643,759.50, under the original repayment plan. The Charter is still required to repay the CSFP loan portion, $643,759.50, through the normal loan repayment process.

AUTHORITY

Education Code Section 17076.10(c)(2) states "Notwithstanding paragraph (1), if the board determines that repayment of the full liability within 60 days after the board action would constitute a severe financial hardship, as defined by the board, for the school district, the board shall approve a plan of equal annual payments over a period of up to five years. The plan shall include interest on each year's outstanding balance at the rate earned on the state's Pooled Money Investment Account during that year. The Controller shall withhold amounts, other than basic aid apportionments required by Section 6 of Article IX of the California Constitution, pursuant to the plan."

Per School Facility Program (SFP) Regulation Section 1859.106.1, "Upon adoption of the audit findings by the Board and in lieu of the collection procedures outlined in Education Code Section 17076.10(c)(1), a school district, county office of education, or charter school may request a repayment schedule of up to five years, in equal annual installments, if the total repayment of State funds within 60 days of the Board action would cause the school district, county office of education, or charter school to fall into fiscal distress. School districts, county offices of education, or charter schools requesting a repayment schedule must be in a severe hardship condition as evidenced by at least one of the following criteria:
…
(c) For a charter school, the amount due to the State for one or more projects would cause the charter school severe financial hardship. The charter school's authorizing agency must submit a letter to the [Office of Public School Construction] OPSC on behalf of the charter school for consideration substantiating that the repayment may result in the charter school being unable to meet its financial obligations for the current or subsequent two fiscal years.

The repayment schedule shall include interest at the same rate as that earned on the State's Pooled Money Investment Account (PMIA) on the date a repayment schedule is approved by the Board.

The repayment schedule will commence on July 1 of the fiscal year following the repayment schedule approval date."

(Continued on Page Two)

BACKGROUND

Charter schools may request the Board approve a repayment schedule when they meet the following criteria:

- The amount due to the State for one or more projects would cause the charter school severe financial hardship.
- The charter school's authorizing agency must submit a letter to the OPSC on behalf of the charter school for consideration substantiating that the repayment may result in the charter school being unable to meet its financial obligations for the current or subsequent two fiscal years.

The Charter School must return a total of $1,287,519 in unused grant funds and ineligible expenditures. The Charter School concurred with these findings and was approved for a five-year repayment plan pursuant to SFP Regulation Section 1859.106.1.

The Charter School qualifies because it indicates that immediate payment of the full amount would subject it to severe financial hardship. Additionally, the Charter School's authorizing agency, the San Francisco City Unified School District, has indicated that immediate repayment will cause the Charter School to fall into fiscal distress.

This item requests the Board's approval to amend the repayment plan previously approved. If approved, the Charter would only be required to repay the State's share of the repayment, $643,759.50, under the original repayment plan. The Charter is still required to repay the CSFP loan portion, $643,759.50, through the normal loan repayment process.

STAFF ANALYSIS/COMMENTS

Staff has reviewed the request, which is consistent and meets the criteria of applicable law and regulations. Staff supports the Charter School's request to amend the repayment plan for the grant. The installment payments of the plan will commence July 1, 2015 and includes interest calculated at the rate equal to the current Pooled Money Investment Account (PMIA) rate.

RECOMMENDATION

Approve the Charter School's amended request for a five-year repayment schedule to repay $643,759.50 at the previously approved interest rate (equal to the PMIA rate at the time of 0.261%). Require that the annual payments be due on July 1, 2015 and July 1 of each year thereafter, until July 1, 2019.

Non-Conforming Buildings

(Continued Use)

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, June 30, 2015

EXEMPTION FOR INDEPENDENT STUDY FACILITIES

PURPOSE OF REPORT

To present the Kern High 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 an independent study program at a facility that is not located at a regular school site and is requesting an exemption from the definition of "School building," as described in Education Code (EC) Section 17283, for the facility.

EC Section 17289 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 buildings." 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:

(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."

(Continued on Page Two)

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 two years.

RECOMMENDATION

Approve the District's request for an exemption from the definition of "school buildings" for the sites listed on the Attachment from August 1, 2015 through July 30, 2017.

ATTACHMENT

EXEMPTION FOR INDEPENDENT STUDY FACILITIES

Kern High School District – 91/63529-00-000

Site	I.D. No.
5801 Sundale Avenue Bakersfield, California 93309	15-63529

Facility Hardship / Rehabilitation Program

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, June 30, 2015

SCHOOL DISTRICT DATA	
School District: …….....LONG BEACH UNIFIED	County:…….....LOS ANGELES
Application Number:…….…..…..58/64725-00-006	School Name:….....….....POLYTECHNIC HIGH
Total District Enrollment:…….…….….....81,155	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.
Estimated Total Project Cost	$ 7,772,980
Estimated Cost to the State	$ 3,886,490

DESCRIPTION

Description of Health and Safety Threat	The auditorium building at Polytechnic High School, in Long Beach, California was originally built in 1930 (and reconstructed in 1934 after the 1933 Long Beach earthquake) and is of 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 SMP eligible portion of this project will consist of the seismic retrofit and upgrades to the existing auditorium building. The District also plans to do other, non-SMP renovations to the building. The auditorium is approximately 35,902 square feet and includes dressing rooms in the basement, property room, loft stage, office, restrooms, equipment rooms, storage, and mechanical and electrical rooms. The work described in the Evaluation and Design Criteria Report will not alter the primary use or function of the facility.
Status of School Site	Construction on the auditorium began in January 2015 and is expected to be complete in the summer of 2016.

QUALIFYING CRITERIA

Government/State Level Concurrence	DSA has approved the Polytechnic High School auditorium for SMP eligibility, has evaluated and approved the planned seismic mitigation work, and has issued design criteria approval.
Site Visit Completed by Staff	OPSC staff completed a site visit on December 10, 2014.
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 the auditorium at the Polytechnic 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 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.

SCHOOL DISTRICT DATA

Application No:	58/64725-00-006	**County:**	Los Angeles
School District:	Long Beach Unified	**School Name:**	Polytechnic 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:**	52.7
Alternative Education School:	No	**Existing Acres:**	29.98

ADJUSTED GRANT DATA

Seismic Rehabilitation	$ 3,886,490.00
Total State Share (50%)	3,886,490.00
District Share (50%)	3,886,490.00
Total Project Cost	$ **7,772,980.00**

PROJECT FINANCING

State Share	
This Project	$ 3,886,490.00
District Share	
Cash Contribution	3,886,490.00
Financial Hardship	
Total Project Cost	$ **7,772,980.00**

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**	$	$ 3,886,490.00	$ 3,886,490.00
District Share					
Cash Contribution				3,886,490.00	
Total			$	$ **7,772,980.00**	$ **3,886,490.00**

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.

Senate Bill 854, Chapter 28, Statutes of 2014 repealed Labor Code (LC) Section 1771.3 which required school districts to provide payment to Department of Industrial Relations (DIR) for prevailing wage monitoring. As a result, school districts awarding a construction contract on or after June 20, 2014 are not mandated to provide payment for DIR monitoring and enforcement of prevailing wage requirements. Projects with an initial public works contract awarded on or after June 20, 2014 are not eligible to receive an additional grant for prevailing wage monitoring; however, school districts are still required to notify DIR within five days of initial contract award pursuant to LC Section 1773.3(a)(1).

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.