

OFFICE OF PUBLIC SCHOOL CONSTRUCTION
STAKEHOLDER MEETING
July 18, 2018
Room 6-300

Criteria for Funding Order Tie-Breakers under the Career Technical Education Program

PURPOSE

To discuss additional criteria for tie-breakers in the funding order of Career Technical Education Facilities Program (CTEFP) applications for future amendments to the School Facility Program (SFP) Regulations.

DESCRIPTION

SFP Regulations stipulate that CTEFP funds be apportioned based on the highest scored application from each locale (Urban, Suburban, and Rural) with at least one application from each locale. If two or more applications share the same score and locale, the application with the highest total points in all weighted areas will be funded first. During the processing of applications for the fourth funding cycle of the CTEFP, it was discovered that there were several instances of tied rankings in the funding order based on the funding applications received. Current regulations for the CTEFP do not identify additional parameters to determine the ranking of tied applications that share the same weighted score and locale. Staff is seeking stakeholder feedback on additional criteria to be used to resolve tie scores.

BACKGROUND

Program Overview

Under the CTEFP, a local educational agency (LEA) operating a comprehensive high school may construct new and modernize existing facilities for career technical education programs. A Joint Powers Authority (JPA) operating career technical education programs as of May 20, 2006, may modernize existing facilities. The LEA is not required to demonstrate that it has housed pupils or that buildings are older than 25 years to be eligible for the program. The maximum grant for a new construction project is \$3 million. The maximum grant for a modernization project is \$1.5 million.

In August 2017, the Board established two additional filing rounds for the CTEFP. Each round made \$125 million available for projects.

Applications for the CTEFP are submitted as follows:

- First, Grant Applications are submitted to the California Department of Education (CDE).
 - CDE reviews the applications and determines the career technical education plan scores.
- Next, *Applications for Career Technical Education Facility Funding* (Form SAB 50-10) are submitted to the Office of Public School Construction (OPSC.)
 - OPSC calculates funding allowances and determines the funding order based on SFP Regulations.

Scoring

Application Score

The career technical education plan score is determined by CDE and based on relevant career technical education curriculum, and facility needs to increase student achievement, as required by statute. CDE's review is based on a scoring rubric across eight categories, with a maximum score of 141 points. The eight categories are based on the following:

1. The CTE Plan
2. Pupil Enrollment Projections
3. Feeder School Identification
4. Accountability Plan
5. Education Specifications
6. Budget Justification
7. Unique Conditions
8. Overall Feasibility

Weighted Score

Six components across the eight categories are used to determine a weighted score to further determine additional funding priority; these are based on the following components:

1. Labor market demand for highly qualified technical employees in the selected industry sector.
2. The total annual number of students expected to attend the proposed CTE program that will be supported with grant funds.
3. Geographic proximity of similar CTE programs in the area and how the project would complement, enhance or differ from the existing CTE offerings available in the area.
4. School accountability plan for enrollment and expected outcome(s).
5. Estimated annual capital cost per student and the rationale/method used for calculating this cost.
6. Financial participation and ongoing support plan of all business and industry partners in the construction and equipping of the facility.

Funding Order

Successful applicants, who achieved a minimum career technical education plan score of 105 on the grant application submitted to CDE, are eligible to submit a Form SAB 50-10 to OPSC for consideration for funding. The applications with a score of 104 or less are ineligible to apply for funding.

In accordance with SFP Regulations, the funding order for applications is determined by career technical education plan score and locale (to determine locale, OPSC uses the National Center for Education Statistics). The highest scoring application in each of the three designated locales: urban, suburban and rural, is presented for funding and then the pattern repeats until applications or funding is exhausted, whichever comes first.

STAFF ANALYSIS/STATEMENTS

During the processing of the fourth funding cycle of the CTEFP staff encountered 41 instances of tied funding order of applications with the same score and locale.

SFP Regulations prescribe that funding for applications receiving the same career technical education plan score will be funded in order of highest points in all weighted areas identified in Educational Code Section 17078.72(j). If two or more applications had the same career technical education plan score and locale, the complete score (extended by two decimal points) was taken into consideration. If two or more applications had the same extended score and locale, CDE provided OPSC with a weighted score as a tie-breaker.

However, there were some occurrences of two applications having the same weighted score. Current Regulations for the CTEFP do not identify additional parameters to determine the ranking of tied applications that share the same weighted score and locale. Absent a regulation giving further direction; Staff placed these in order of Form SAB 50-10 received date and then alphabetically. Fortunately, in the fourth cycle funding was not impacted by this method of ordering projects. No tie scores were between applications in which only one application was reachable for funding.

DISCUSSION

To ensure that future funding cycles have clear regulations related to funding order, Staff is requesting stakeholder feedback on criteria for a tie-breaker in addition to the existing methods for determining funding order of CTEFP applications under SFP Regulations. To start the discussion, Staff has provided some options below and welcomes additional suggestions.

Potential additional criteria determine funding order for consideration to include in SFP Regulations:

1. Date the Form SAB 50-10 was received by OPSC.
2. Date the grant application was received by CDE.
3. First time recipients of CTEFP funding.
4. An application in a Service Region that have the fewest applications funded in the cycle.
5. An application for an underrepresented industry sector.
6. School site with a higher percentage of high needs students (i.e. Latino, African American, free and reduced lunch, foster students) based supplemental/ concentration funding
7. An application funding industry sectors that address higher labor market needs.
8. Additional suggestions for other options and methods for determining funding order.

CLOSING REMARKS/NEXT STEPS

ATTACHMENT – AUTHORITY REFERENCE

Education Code Section 17078.72 Career Technical Education Facilities Program

(a) The Career Technical Education Facilities Program is hereby established to provide funding to qualifying local educational agencies for the purpose of constructing new facilities or reconfiguring existing facilities, including, but not limited to, purchasing equipment with an average useful life expectancy of at least 10 years, to enhance educational opportunities for pupils in existing high schools in order to provide them with the skills and knowledge necessary for the high-demand technical careers of today and tomorrow.

(b) The State Department of Education, in cooperation with the Chancellor's Office of the California Community Colleges, the Labor and Workforce Development Agency, and industry groups, shall develop criteria and pupil outcome measures to evaluate the program. The criteria shall ensure equity, program relevance to industry needs, and articulation with more advanced coursework at the partnering community colleges or private institutions.

(c) The program shall be based on grant applications administered by the board.

(d) Grants shall be allocated on a per-square-foot basis for the applicable type of construction proposed or deemed necessary by the board consistent with the approved application for the project.

(e) New construction grants shall not exceed three million dollars (\$3,000,000) per project per schoolsite, inclusive of equipment, and shall only be allocated to comprehensive high schools that have an active Career Technical Advisory Committee pursuant to Section 8070, in either of the following methods:

(1) For a stand-alone project on a per-square-foot basis for the applicable type of construction proposed, based on the criteria established pursuant to subdivision (b), consistent with the approved application for the project.

(2) For new school projects, as a supplement to the per pupil allocation pursuant to Section 17072.10. The supplement is intended to cover excess costs uniquely related to the facilities required to provide the career technical education program or programs.

(f) Modernization grants shall not exceed one million five hundred thousand dollars (\$1,500,000) per project per schoolsite, inclusive of equipment and may be awarded to comprehensive high schools or joint power authorities currently operating career technical education programs that have an active Career Technical Advisory Committee pursuant to Section 8070 for the purpose of reconfiguration. For comprehensive high schools, the grant shall be supplemental to the per pupil allocation pursuant to Section 17074.10. The supplement is intended to cover excess costs uniquely related to the facilities required to provide the career technical education program or programs.

(g) (1) A school district shall contribute from local resources a dollar amount that is equal to the amount of the grant of state funds awarded under subdivisions (d), (e), and (f). The required local contribution may be provided by private industry groups, the school district, or a joint powers authority.

(2) A school district shall not be required to demonstrate that it has unhoused pupils or that a permanent school building is more than 25 years old in order to receive a grant under the program.

(h) The program shall allow the required local contribution to be paid over time if sufficient local funds are not immediately available. The board may provide for a repayment schedule consistent with subparagraphs (C) and (D) of paragraph (1) of subdivision (a) of Section 17078.57. The board shall not waive the required local contribution on the basis of financial hardship or on any other basis.

(i) Applications shall meet the criteria developed under subdivision (b) and shall require all of the following:

- (1) A clear and comprehensive career technical education plan for each course of study applicable to the instructional space.
 - (2) Projections of pupil enrollment.
 - (3) Identification of feeder schools, industry partners, and community colleges or other postsecondary schools participating in the development, articulation, and review of the educational program.
 - (4) Evidence of approval of the plan by the entities listed in paragraph (3).
 - (5) The method by which accountability for pupil enrollments and outcomes will be maintained. Outcomes shall include, but are not limited to, certificate completion, the successful entry of pupil to employment in the applicable industry, and successful transition to post-secondary institutions for work in the applicable industry or other areas of study.
 - (6) Evidence of coordination with all feeder schools, middle schools, and high schools within the area to ensure that the project and programs complement career technical education offerings in the area.
 - (7) Evidence that upon completion of the project the local educational agency will meet all of its obligations under Section 51228 relating to career technical education.
 - (j) Applications shall give weight to the number of pupils expected to attend, the cost per pupil, financial participation by industry partners in the construction and equipping of the facility, commitment to accountability for outcomes and participation, the strength and relevance of the educational plans to the needs of industry for qualified technical employees applicable to the economic development needs of the region in which the project will be located, and coordination and articulation with feeder schools, other high schools, and community colleges.
 - (k) The Office of Public School Construction shall develop and the board shall approve regulations to implement this article on or before April 19, 2007, and the board may promulgate those regulations first on an emergency basis, which shall be effective for no more than 12 months, after which any permanent regulations shall be promulgated in accordance with the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).
 - (l) Notwithstanding paragraphs (e) and (f), a project approved pursuant to this section is also eligible for an incentive grant from the funds specified in paragraph (8) of subdivision (a) of Section 101012 if the project meets the criteria prescribed in that section.
- (Amended by Stats. 2011, Ch. 622, Sec. 2. (SB 128) Effective January 1, 2012.)*

SFP Regulation Section 1859.196 Career Technical Education Facilities Program Funding Order

- (a) In the first funding cycle, the Board shall fund eligible Career Technical Education Facilities Projects as follows:
 - (1) Approved Applications for Career Technical Education Facilities Project Funding shall be sorted by Service Region.
 - (2) Within each Service Region, approved applications will be ranked from highest to lowest according to the numerical score for the applicant's Career Technical Education Facilities Program application pursuant to Education Code Section 17078.72(i).
 - (3) The locale of each project shall be identified as Urban, Suburban or Rural.
 - (4) The Board shall apportion funds within each Service Region to the highest ranked project in each locale. In order to continue this funding process, one project from each locale must be apportioned. If there are no applications in a given locale(s), projects will be apportioned in the remaining locale(s).
 - (5) The process will continue until the applications or funds are exhausted within each Service Region as prorated pursuant to Section 1859.195. If an application cannot be

fully apportioned because insufficient funding remains within the Service Region, the application shall be considered for funding pursuant to Section 1859.195(a)(2). If there is insufficient funding under Section 1859.195(a)(2), the applicant may either accept the available funding within the Service Region as the full and final apportionment for the project or refuse funding entirely. If funding is refused, the Board shall consider funding the next project eligible for an apportionment pursuant to this Section.

(6) In the event two or more applications within a Service Region have the same career technical education plan score and are in the same locale, the applicant with the highest total points in all weighted areas identified in Education Code Section 17078.72(j) will be funded first.

(b) In the second funding cycle, the Board shall fund eligible Career Technical Education Facilities Projects as described in (a) until the applications or funds are exhausted within each Service Region or until the conditions in (1) and (2) are met:

(1) Funds remain after all applications in a given Service Region have been apportioned.

(2) Approved Applications remain in other Service Regions because the requests exceed the funds allotted to the Service Region(s) in Section 1859.195(b). If an application cannot be fully apportioned because insufficient funding remains within the Service Region, the application shall be considered for funding pursuant to (c). If there is insufficient funding under (c), the applicant may either accept the available funding within the Service Region as the full and final apportionment for the project or refuse funding entirely. If funding is refused, the Board shall consider funding the next project eligible for an apportionment pursuant to this Section.

(c) If (b)(1) and (b)(2) are met in the second funding cycle, the remaining available career technical education facilities funds shall be pooled and apportioned to the highest ranked project in each locale regardless of Service Region. One of each locale must be accounted for before a locale is repeated.

(d) For the third and any subsequent cycles, the Board shall apportion funds regardless of Service Region.

(1) Funds shall be apportioned to the highest ranked project in each locale. In order to continue this funding process, one project from each locale must be apportioned. If there are no applications in a given locale(s), projects will be apportioned in the remaining locale(s).

(2) The process will continue until the applications or funds are exhausted, whichever comes first.

(3) In the event two or more applications have the same career technical education plan score and are in the same locale, the applicant with the highest total points in all weighted areas identified in Education Code Section 17078.72(j) will be funded first.

If a Career Technical Education Facilities Project within any funding cycle cannot be fully apportioned because insufficient funding is available, the applicant may either accept the available funding as the full and final apportionment for the project or refuse funding entirely. If funding is refused, the Board shall consider funding the next project eligible for an apportionment pursuant to this Section.

For any Career Technical Education Facilities Project not apportioned pursuant to this Section, the application shall be returned to the applicant. A Career Technical Education Facilities Project returned to the applicant may be resubmitted during a subsequent application acceptance period identified in Section 1859.191, provided the application meets the eligibility criteria in Section 1859.192.