

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, May 24, 2006

IMPACT OF ACCESSIBILITY REQUIREMENTS ON MODERNIZATION PROJECTS

PURPOSE OF REPORT

To present a report by the Division of the State Architect (DSA) regarding the fiscal impact of the accessibility requirements on modernization projects.

DESCRIPTION

At the February 2005 State Allocation Board (SAB) meeting, a report by the DSA was provided addressing the fiscal impact of the California Building Code requirements on the Emergency Repair Program. Subsequently, the Board requested Staff to provide further information on the subject to determine whether this is an area of interest for future bonds.

The attached report has been provided by the DSA in response to the Board's request. The DSA indicated that it would have representatives available at this meeting to present this report and address questions of the Board.

SUMMARY

The DSA sent out a survey to all districts (and those representing the districts) that submitted school modernization projects for DSA approval within the last three years. The DSA received responses for 252 modernization projects. The projects ranged from \$50,000 to \$20,000,000 in construction costs and the amount spent on accessibility requirements represented a range of less than one percent to 100 percent of the construction costs. Based on the survey responses, an overall average of 26 percent of the construction costs were attributed to accessibility requirements.

The report provided by the DSA provides the survey results in categories. The results were categorized by grade level, age of building/school, school enrollment, school location, and site topography. On average, high schools between 61-90 years of age in urban areas with large enrollment and challenging topography were found to have the most impact by the accessibility requirements.

AUTHORITY

Government Code Section 4450(a) states that it is the purpose of this chapter to ensure that all buildings, structures, sidewalks, curbs, and related facilities, constructed in this state by the use of state, county, or municipal funds, or the funds of any political subdivision of the state shall be accessible to and usable by persons with disabilities.

Pursuant to Government Code Section 4450(b), the State Architect shall develop and submit proposed building standards to the California Building Standards Commission for approval and adoption... and shall develop other regulations for making buildings, structures, sidewalks, curbs, and related facilities accessible to and usable by persons with disabilities.

Pursuant to Government Code Section 4454(a), where state funds... are utilized for the construction of elementary school, secondary school, or community college buildings and facilities subject to this chapter, no contract shall be awarded until the Department of General Services has issued written approval stating that the plans and specifications comply with the intent of this chapter.

STAFF COMMENTS

Currently, the School Facility Program provides a three percent increase to the base grant for excessive costs due to handicapped access and fire code requirements relating to modernization projects, pursuant to Regulation Section 1859.83 (f).

The California Building Code places a 20 percent limit on the cost of the accessibility requirements for projects with construction costs of \$113,500 or less. However, for projects with construction costs greater than \$113,500, no limit applies. The excessive cost hardship grant for handicap access and fire code requirements may not provide sufficient funds to meet these requirements. The following chart provides an example of a modernization project that participated in the survey:

Sample Modernization Project	
Construction Costs Reported	\$3,200,000
Total Project Cost	\$5,058,403
State Share	\$3,035,042
District Share	\$2,023,361
Handicap Access Grant	\$142,012
ADA Costs Reported	\$558,520

As the chart illustrates, the handicap access grant only provides for a small portion (25 percent) of the reported accessibility costs.

A recommendation to provide additional funding for accessibility requirements, however, cannot be made based on this survey, as providing a standard increase to all projects would not address individual district's needs. The findings are greatly varied. The accessibility requirements vary depending on the age of the building/school, location, topography, etc. Therefore, should additional funding be warranted, it may be more appropriate to provide additional funding on a project-by-project basis.

There is current legislation, Assembly Bill (AB) 2149, which proposes to provide additional funding for Americans with Disabilities Act (ADA) requirements. This legislation would require each project to be reviewed by the DSA to determine its specific ADA requirements and provides the supplementary grant based on the DSA review. AB 127, which authorizes the Kindergarten-University Public Education Facilities Bond Act of 2006 to be submitted before the voters on November 7, 2006, does not include any provisions to change the amount of funding provided to applicant school districts for access compliance.

RECOMMENDATION

Accept this report.

BOARD ACTION

In considering this item, the Board accepted the report. In addition, the Board requested that Staff work with Legal Counsel to determine if there is sufficient statutory authority to pursue proposed regulations that would provide additional modernization funding on a project-by-project basis for accessibility requirements as verified by the Division of the State Architect.

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, May 24, 2006

SCHOOL FACILITY PROGRAM
ADJUSTMENTS TO NEW CONSTRUCTION BASELINE ELIGIBILITY

PURPOSE OF REPORT

To request:

1. Adoption of amendments to the School Facility Program (SFP) Regulations for adjustments to the new construction baseline eligibility for leased portable classrooms and locally replaced facilities.
2. Authorization to file the proposed amendments with the Office of Administrative Law (OAL).

DESCRIPTION

At the October 2005 State Allocation Board (SAB) meeting, the SAB requested that Staff discuss at a future SAB Implementation Committee (Committee) meeting the SFP Regulations relating to adjustments to the new construction baseline eligibility. The Board's request was made in response to school districts' concerns, and corresponds with recent queries to the Legislative Counsel on the same subject.

The issues of new construction baseline eligibility and the adjustments to the baseline required by law and regulations were discussed at three separate meetings of the Committee. As a result of those discussions, Staff has identified three issues that are addressed with the proposed regulation changes. These changes are needed to ensure that the SFP Regulations contain clear guidelines for reporting requirements for the adjustments to the new construction baseline eligibility, provide relief for school districts with ongoing lengthy construction and modernization projects, and allow school districts to replace facilities with local funds without a negative impact on the new construction baseline eligibility.

AUTHORITY

Education Code (EC) Section 17070.35 (a)(2) authorizes the Board to adopt rules and regulations in connection with the administration of the Leroy F. Greene School Facilities Act of 1998 as it deems necessary.

EC Sections 17071.10 and 17071.30 require an applicant school district to determine its existing school building capacity which shall be made on a one-time basis and used as the baseline for eligibility determination for new construction funding.

EC Section 17071.75 establishes the formula for calculating the district's ongoing eligibility for new construction funding, which shall include any facilities provided from any state or local funding source after the existing school building capacity was determined.

STAFF COMMENTS

At the February 2006 Committee meeting, Staff gathered feedback from Committee members and school district representatives regarding the impact of changes in portable classroom inventories on the new construction baseline eligibility. At the April 2006 Implementation Committee meeting, Staff discussed resolutions to school districts' concerns within the scope of existing law and regulations, and presented proposals for regulatory changes. The draft regulation and form changes were further discussed at the May 2006 Implementation Committee meeting with subsequent agreement with the Committee. The proposed regulation and form changes are contained in the Attachments and are summarized below:

STAFF COMMENTS (cont.)

Issue 1: Clarifying language for the required adjustments to the new construction baseline eligibility

Regulation Section 1859.51(i), items (3), (4), and (9), clarifies the exclusions to the reporting requirement for additional classrooms provided after the new construction eligibility has been established. The regulation provides that a school district shall report any additional classrooms provided after the new construction baseline eligibility has been established with the exception of certain facilities, such as portable classrooms leased under the State Relocatable Classroom Program, classrooms leased for less than five years, and facilities that were built or acquired for certain non-classroom purposes with funds specifically available for those purposes. These classrooms should not count as additional classrooms provided for school use as these types of facilities are not considered available capacity at the initial calculation of new construction baseline eligibility.

Issue 2: Portable classrooms leased for more than five years

Currently districts must report leased portables that were leased less than five years and were excluded in the existing building capacity once the portables have been leased for five years, whether in a single lease or cumulative total of several leases. These classrooms are then charged against the district's new construction baseline eligibility thereby reducing the district's ability to finance future projects to construct actual permanent classrooms. In many instances, it is conceivable that a project, from conception to occupancy, may take longer than a five-year period and therefore would require the continuation of the lease for the interim portables. Since the portables are and would continue to be leased on an interim basis, the classrooms would not be considered provided as required in statute to be charged against the district's new construction eligibility. Therefore, the proposed addition to Regulation Section 1859.51(i)(5) specifies that the five-year lease requirement shall be project specific and the district shall be eligible to continue to lease the classroom without a reduction to its new construction baseline eligibility for an additional time period as determined by the SAB, not to exceed three years.

Issue 3: Locally funded replacement projects

Current SFP regulations require an adjustment to the new construction baseline eligibility for any classrooms provided in a locally funded project, including the classrooms that replace existing facilities. This policy results in the reduction of the district's eligibility for any future new construction projects and discourages efforts to raise local funds for facility projects that districts may consider outside of the SFP.

In considering regulatory changes to accommodate locally funded replacement projects without a reduction to the new construction baseline eligibility, Staff proposes additional amendments to the modernization eligibility of the SFP regulations. These changes are necessary to ensure that the replaced facilities do not continue to generate modernization eligibility.

In addition, Staff proposes changes to the financial hardship provisions of the SFP regulations that would prohibit districts from seeking financial hardship assistance for a required period of time following the encumbrance of funds for replacement projects that are locally funded. This will require districts to consider the need for their matching share on future SFP projects when making expenditures on replacement projects. Since the use of local funds on replacement projects is a larger issue of prioritizing local resources, it is important to note that there is proposed legislation (Senate Bill 1415) that proposes to

STAFF COMMENTS (cont.)

change the lockout period from five years to ten years for districts to participate in the SFP or the Deferred Maintenance Program when funds generated from the sale of surplus property are deposited in the general fund.

The SAB Implementation Committee had discussions on the appropriate period of time districts should be prohibited from seeking financial hardship assistance when local funds are used for replacement facilities. While most considered that a five-year period was adequate, some Committee members considered a ten-year exclusion period more appropriate. As a result, Staff has presented the amendments on Attachment A with a five-year exclusion period; however, a ten-year exclusion period is noted as a footnote should the Board decide today that a ten-year exclusion period is more appropriate.

It is possible for a district to have an emergency situation that requires a facility replacement. In such cases, the Board may determine that the replacement of facilities with local funds should not preclude the district from seeking future financial hardship assistance. The regulatory changes presented herein apply to both permanent and portable classrooms and facilities.

RECOMMENDATIONS

1. Adopt the proposed regulatory amendments as shown on Attachments A, B, C, and D.
2. Authorize the Office of Public School Construction to file these regulations with the OAL.

ATTACHMENT A
PROPOSED AMENDMENTS TO THE
SCHOOL FACILITY PROGRAM REGULATIONS
State Allocation Board Meeting, May 24, 2006

Amend Regulation Section 1859.51 as follows:

Section 1859.51. Adjustments to the New Construction Baseline Eligibility.

The baseline eligibility for new construction determined on the Form SAB 50-03, will be adjusted as follows:

- ...
- (i) Reduced by the number of pupils housed, based on loading standards pursuant to Education Code Section 17071.25(a)(2)(A), in any Classroom Provided after the baseline eligibility was determined by the Board with the exception of those pupils housed or to be housed in a classroom:
 - (1) That is a trailer and transportable/towed on its own wheels and axles.
 - (2) Of less than 700 interior square feet.
 - ~~(3) Excluded pursuant to Education Code Section 17071.30-~~
 - (3) That is a portable classroom, leased pursuant to Chapter 14 (commencing with Section 17085) of the Education Code.
 - (4) That is a portable classroom leased for a period of less than five years, whether in a single lease or cumulative total of several leases.
 - (5) That is a portable classroom that needs to be leased beyond five years to provide interim housing in a modernization or new construction project provided the cumulative lease term does not exceed a specified time period as determined by the SAB not to exceed three years on each qualifying project. For this purpose, a project means all work contained in a single set of construction plans.
 - ~~(46)~~ Where the contract for the lease, lease-purchase, purchase, or construction of the classroom was made prior to January 1, 2000.
 - ~~(57)~~ That is included in a SFP project where the district has funded a portion of the project beyond its required district contribution and the pupil capacity of the classroom does not exceed 150 percent of the number of pupils receiving a new construction grant (rounded up) for the SFP project.
 - ~~(68)~~ That was acquired with joint-use funds specifically available for that purpose.
 - (9) That was built or acquired exclusively for regional occupational centers, regional occupational programs, child care, preschool and/or Adult Education Programs, and with funds specifically available for those purposes.
 - (10) That replaces a classroom, previously included in the determination of the district's new construction eligibility pursuant to Education Code Section 17071.75, in a project funded by the district without participation from the State and the district permanently removes the replaced facility from classroom use immediately after the replacement classroom is occupied.

Note: Authority cited: Section 17070.35, Education Code.

Reference: Sections 17052, 17070.51, 17071.25, 17071.75, 17071.76, 17072.20 and 17077.40, Education Code.

Amend Regulation Section 1859.61 as follows:

Section 1859.61. Adjustments to the Modernization Baseline Eligibility.

The baseline eligibility for modernization as provided in Section 1859.60 for a specific site will be adjusted as follows:

- (a) Reduced by the number of pupils provided grants in a modernization SFP project at the specific site.
- (b) Reduced by the number of pupils housed, based on the loading standards pursuant to Education Code Section 17071.25(a)(2), in a modernization LPP project funded under the LPP pursuant to Sections 1859.14 and 1859.15.
- (c) Increased by changes in projected enrollment in subsequent enrollment reporting years.

- (d) Increased for additional facilities not previously modernized with State funds, that become 25 years old, if permanent, or 20 years old, if portable or as a result of audit findings made pursuant to Sections 1859.90 and 1859.105.
- (e) Adjusted as a result of errors or omissions by the district or by the OPSC.
- (f) Adjusted as a result of amendments to these Subgroup 5.5 Regulations that affect the eligibility.
- (g) For classroom loading standards adopted by the Board for non-severely disabled individuals with exceptional needs and severely disabled individuals with exceptional needs.
- (h) As directed by the Board due to a finding of a Material Inaccuracy pursuant to Regulation Section 1859.104.1.
- (i) Increased for facilities previously modernized with State funds, which qualify for an additional modernization apportionment pursuant to Section 1859.78.8.
- (j) Adjusted as a result of the Reconfiguration of an existing high school under the provisions of the Small High School Program.
- (k) Decreased for facilities that were deemed eligible for modernization pursuant to Sections 1859.60 and 1859.61(d) and subsequently replaced, or will be replaced under a signed contract for construction or acquisition of facilities, in a project funded by the district without participation from the State.

Note: Authority cited: Section 17070.35, Education Code.

Reference: Sections 17070.51, 17071.25, 17072.15, 17072.20, 17073.15, 17074.10 and 17074.32, Education Code.

Amend Regulation Section 1859.81 as follows:

Section 1859.81. Financial Hardship.

Except for Joint-Use Projects, a district is eligible for financial hardship to fund all or a portion of its matching share requirement after demonstrating ~~both of the following~~ the requirements of (a), (c), and (d) below:

(a) The district is financially unable to provide all necessary matching funds for an eligible project. To determine this, an analysis shall be made of the district's financial records by the OPSC including data and records maintained by the CDE and the County Office of Education. The analysis shall consist of a review of the district's latest Independent Audit regarding funds available from all capital facility accounts, including, but not limited to, developer fees, funds generated from capital facility certificates of participation, federal grants, redevelopment funds, sale proceeds from surplus property, the appraised value of facilities approved for replacement pursuant to Section 1859.82, bond funds either encumbered, unencumbered or authorized but unsold, and savings from other SFP projects. All funds thus identified that have not been expended or encumbered by a contractual agreement for a specific capital outlay purpose prior to the initial request for financial hardship status shall be deemed available as a matching contribution.

After the initial request for financial hardship status is granted, no further encumbrances will be approved by the OPSC and all prospective revenue made available to the district's capital facility accounts shall be deemed available as matching contribution on the subsequent financial hardship review, with the exception of:

- (1) Approved interim housing expenditures.
- (2) Funding to pay for previously recognized multi-year encumbrances approved at the initial financial hardship approval.
- (3) Funding that is transferred into a Special Reserve Fund and is used for the express purpose of the Federal Renovation Program when the amount expended out of that fund does not exceed the maximum Federal Renovation Grant amount.
- (4) Funding that is transferred into a Special Reserve Fund and is used for the express purpose of the School Facilities Needs Assessment Grant Program or Emergency Repair Program when the amount expended out of that fund does not exceed the maximum grant amount apportioned.

(5) All other capital facility funding for a period of three years when no subsequent financial hardship request is made during this period. The three-year period begins with the date of the most recent financial hardship new construction or modernization adjusted grant funding apportionment.

The financial hardship analysis is subject to approval by the Board.

(b) From the funds deemed available as a matching contribution, the district may retain \$19,776 per classroom in each enrollment reporting period for the cost to provide interim housing for the currently unhoused pupils of the district. The amount shown shall be adjusted annually in the manner prescribed in Section 1859.71. The number of classrooms needed for interim housing for the currently unhoused pupils shall be the sum of the positive numbers determined in (b)(7) as follows:

(1) Determine the current enrollment of the district by grade level as shown on the latest Form SAB 50-01.

(2) Determine the New Construction Grants apportioned by grade level for all SFP projects and LPP funded under the provisions of Sections 1859.12 or 1859.13 where the district has submitted Form SAB 50-06 indicating that the project is 100 percent complete.

(3) Subtract (b)(2) from (b)(1).

(4) Determine the number of classrooms by grade level reported in Part 1, Line 8 on Form SAB 50-02.

(5) Multiply the classrooms determined in (b)(4) by 25 for K-6, 27 for 7-12, 13 for Non-Severe and 9 for Severe.

(6) Subtract the product determined in (b)(5) from the difference determined in (b)(3) by grade level.

(7) Divide the difference by grade level determined in (b)(6) by 25 for K-6, 27 for 7-12, 13 for Non-Severe and 9 for Severe and round up to the nearest whole number.

From the funds deemed available as a matching contribution, the district may also retain \$19,776 per portable toilet unit in each reporting period for the cost to provide necessary interim toilet facilities for the currently unhoused pupils of the district. The amount shown shall be adjusted annually in the manner prescribed in Section 1859.71. The number of toilet facilities needed for interim housing shall be the sum of the positive numbers determined in (b)(7) divided by eight rounded up to the nearest whole number.

If the district's available funds, as determined by the OPSC analysis less costs for interim housing, is less than its matching share, the district will be deemed to have met the requirements of this Subsection.

(c) The district has made all reasonable efforts to fund its matching share of the project by demonstrating it is levying the developer fee justified under law or an alternative revenue source equal to or greater than the developer fee otherwise justified under law at the time of request for hardship and the district meets at least one of the following:

(1) The current outstanding bonded indebtedness of the district issued for the purpose of constructing school facilities in accordance with Education Code Section 17072.35 or 17074.25 as appropriate, at the time of request for financial hardship status, is at least 60 percent of the district's total bonding capacity. Outstanding bonded indebtedness includes that part of general obligation bonds, Mello-Roos Bonds, School Facility Improvement District Bonds and certificates of participation which the district is paying a debt service that was issued for capital outlay school facility purposes.

(2) The district had a successful registered voter bond election for at least the maximum amount allowed under Proposition 39 within the previous two years from the date of request for financial hardship status. The proceeds from the bond election that represent the maximum amount allowed under the provisions of Proposition 39 must be used to fund the district's matching share requirement for SFP project(s).

(3) It is a County Superintendent of Schools.

(4) The district's total bonding capacity at the time of the request for financial hardship status is \$5 million or less.

(5) Other evidence of reasonable effort as approved by the SAB.

(d) The district has not signed a contract for acquisition or construction of classrooms that replace existing facility(ies), which were included in the determination of the district's new construction eligibility pursuant to Education Code Section 17071.75, in a locally funded project during the five-year period* immediately preceding the district's application for financial hardship assistance. This restriction may be lifted if the Board finds that unforeseen and extenuating circumstances existed that required the district to use local funds to replace the facility(ies).

If the district's request for financial hardship status is denied by the Board, the district may be deemed eligible for rental payments of \$2,000 per year per classroom under the Emergency School Classroom Law of 1979 for a two year period when relocatable classroom buildings are available and the district provides financial documentation that it is unable to afford the full rental amount and any other information satisfactory to the Board that the rental reduction is necessary. The number of classrooms eligible for the \$2,000 rental payments shall be the sum of the numbers determined in (c)(5)(B) as follows:

(A) Determine the number of pupils by grade level that the district requested a New Construction Grant on the Form SAB 50-04 that were denied financial hardship status.

(B) Divide the number by grade level determined in (c)(5)(A) by 25 for K-6, 27 for 7-12, 13 for Non-Severe and 9 for Severe and round up to the nearest whole number.

If the district meets the financial hardship requirements in this Section, the amount of financial hardship is equal to the district's matching share less funds deemed available in (a).

Once a district has been notified by the OPSC that it meets the requirements of financial hardship in this Section, the district may file Form SAB 50-04 under the provisions of financial hardship anytime within a period of 180 calendar days from the date of the OPSC notification.

If the district does not submit Form SAB 50-04 under the provisions of financial hardship within 180 calendar days of the OPSC notification of approval of financial hardship status, the district must re-qualify for financial hardship status under the provisions of this Section by submittal of a new request for financial hardship status.

If the district submits Form SAB 50-04 within 180 calendar days of the OPSC notification of approval of financial hardship and the project(s) has been included on an unfunded list for more than 180 calendar days, a review of the district's funds pursuant to (a) will be made to determine if additional district funds are available to fund the district's matching share of the project(s).

Financial hardship approval status by the OPSC for a separate design and/or site apportionment does not apply to any subsequent funding for the project(s).

Note: Authority cited: Sections 17070.35, 17075.15 and 17592.73, Education Code.

Reference: Sections 17075.10 and 17075.15, Education Code.

*May be a ten-year period, pending the Board's direction.

**ELIGIBILITY DETERMINATION
SCHOOL FACILITY PROGRAM**

SAB 50-03 (REV 06/0405/06)

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GENERAL INFORMATION

This form is used by the School District to calculate the district's eligibility for new construction and modernization funding under the School Facility Program (SFP). The business address entered on the application should be the location that the school district wishes the Office of Public School Construction (OPSC) to mail all correspondence regarding this application.

Part I

Complete to designate or change the authorized district representative and/or alternate. Should this be the case, complete the school district information, identify the district representative(s) in Part I and complete the district certification information at the bottom of the form, including the date the district's governing board took appropriate action.

Part II

Complete for new construction baseline eligibility determination. This part is also used to request an adjustment to an approved new construction baseline eligibility as a result of subdivisions (f), (k) and (l) of Section 1859.51 due to either errors or omissions of information submitted by the district when it requested the initial baseline eligibility, because of a reorganization election that has changed the classroom inventory of the district or to change the classroom inventory that was reported at the time the district requested its initial determination of existing school building capacity as a result of special day class loading. The following documentation is necessary to determine new construction baseline eligibility and must be submitted with this form:

- A completed Form SAB 50-01 based on the latest enrollment data.
- A completed Form SAB 50-02.

Part III

Complete for modernization baseline eligibility determination at a specific site. Districts must be able to provide a drawing of the site where eligibility for modernization is generated with its request for an eligibility determination. The drawing must identify all permanent and portable classrooms on the site and their ages. If the district intends to use the square footage method in Option B, the drawings must also identify the square footage of all facilities on the site.

Part III is also used to request an adjustment to the approved baseline eligibility at a specific site as a result of subdivisions (c), (d), (e), (g), (i) and (k) of Section 1859.61 due to one or more of the following:

- an increase in enrollment,
- additional facilities becoming at least 20/25 years old,
- facilities becoming eligible for an additional modernization apportionment, for permanent school buildings every 25 years after the date of its previous apportionment or for portable classrooms every 20 years after the date of its previous apportionment,
- because of errors or omissions of information submitted by the district when it requested the initial baseline eligibility for the site, or

- to change the classroom inventory that was reported at the time the district requested its initial determination of existing school building capacity as a result of special day class loading,
- a replacement of a facility that was previously deemed eligible for modernization but subsequently replaced in a project funded with local funds with no participation from the State. The district must submit a site diagram indicating the replaced facilities and a copy of the contract for construction or acquisition of facilities.

~~Complete for modernization baseline eligibility determination at a specific site. Districts must be able to provide a drawing of the site where eligibility for modernization is generated with its request for an eligibility determination. The drawing must identify all permanent and portable classrooms on the site and their ages. If the district intends to use the square footage method in Option B, the drawings must also identify the square footage of all facilities on the site. Part III is also used to request an adjustment to the approved baseline eligibility at a specific site as a result of subdivisions (c), (d), (e) (g) and (i) of Section 1859.61 due to either an increase in enrollment, additional facilities becoming at least 20/25 years old, facilities becoming eligible for an additional modernization apportionment, for permanent school buildings every 25 years after the date of its previous apportionment or for portable classrooms every 20 years after the date of its previous apportionment, because of errors or omissions of information submitted by the district when it requested the initial baseline eligibility for the site or to change the classroom inventory that was reported at the time the district requested its initial determination of existing school building capacity as a result of special day class loading. The following documentation is necessary (if not previously submitted to the OPSC) to determine modernization baseline eligibility and must be submitted with this form (as appropriate):~~

- Site diagram of school where modernization funding is requested. The diagram must indicate the ages and number of all permanent and portable classrooms on the site in accordance with the gross classroom inventory as provided by Section 1859.31.
- If the modernization eligibility will be determined by Option B, the site drawings must also include square footage and/or dimensions of all buildings on the site.

~~If modernization funding is requested for permanent or portable classrooms previously modernized with State funds, and qualifies for an additional apportionment pursuant to Section 1859.78.8, for purposes of establishing the beginning of the 25/20 year, it shall begin on the date of its previous modernization apportionment.~~

It is not necessary to complete Part III if the district is only requesting funding for new construction and it is not necessary to complete Part II if the district is only requesting funding for modernization.

A district may request that eligibility for new construction or modernization be reviewed and approved by the Board pursuant to Section 1859.20 prior to submitting Form SAB 50-04 to the Board.

For a list of the documents that must be submitted in order for the OPSC to deem an eligibility request for new construction or modernization complete and ready for OPSC processing, consult the OPSC Web site at www.opsc.dgs.ca.gov.

ELIGIBILITY DETERMINATION

SCHOOL FACILITY PROGRAM

SAB 50-03 (REV 06/0405/06)

SPECIFIC INSTRUCTIONS

Part I – District Representative Information

Enter the name(s) of district employee(s) that can act on behalf of the district's board. A consultant who is on contract with the district to communicate with the OPSC on behalf of the district's board may be listed. The designee of the Superintendent of Public Instruction shall file modernization applications on behalf of the California Schools for the Deaf and Blind.

Part II – New Construction Eligibility Determination

Indicate if this request is for a new or adjusted eligibility determination. Enter the district-wide information unless filing on a High School Attendance Area (HSAA) or Super HSAA basis. The enrollment projection and the existing school building capacity data are obtained from information reported and determined on the Form SAB 50-01 and the Form SAB 50-02. Once the OPSC has verified the information provided on these forms, it will automatically be transferred to this form to determine the district's eligibility for new construction. The district may manually enter the information from these forms and compute its eligibility; however, it may be adjusted by the OPSC based on verification of Form SAB 50-01 and Form SAB 50-02.

1. Enter the five year projected enrollment as shown in Part G of Form SAB 50-01 for grades K–6, 7–8, 9–12 and for the total of non-severe and severe special day class (SDC) projected enrollment.
2. Enter the amounts on Form SAB 50-02, Part III, line 5 for grades K–6, 7–8, 9–12, non-severe and severe.
3. New construction eligibility (i.e., the "baseline eligibility") is determined by subtracting the existing school building capacity (line 2) from the projected five year enrollment (line 1). Report negative numbers in brackets.

Adjustments to the district's new construction baseline eligibility will be made by the OPSC pursuant to Section 1859.51. Contact your project manager at the OPSC for the adjusted baseline eligibility for future request for new construction grants.

Part III – Modernization Eligibility Determination

Modernization eligibility is calculated based on information at a specific site when modernization SFP grants are requested within the district. Therefore, completion of Form SAB 50-01 and Form SAB 50-02 are not needed to determine eligibility for modernization funding. Since the eligibility is site specific, the district must submit a separate Form SAB 50-03 for each site for which it is requesting modernization funding. Indicate if this request is for new baseline eligibility determination or for an adjustment to an approved baseline eligibility as a result of Section 1859.61.

The district may use one of two options to calculate its modernization eligibility at a specific site within the district. The district may select only one option at a time to calculate its modernization eligibility at any given school site. The district may switch options at a later date, if it results in a net gain in eligibility at the site, regardless of whether a funding application has been submitted. Hence, for purposes of adjusting modernization eligibility to include non-classroom buildings previously modernized under the Lease-Purchase Program, a district may switch options for the purposes of obtaining additional modernization apportionments as provided by Section 1859.78.8. To assure timely processing of the application, districts must provide a drawing of the site (if not previously submitted to the OPSC) where modernization funds are generated with the eligibility request to the OPSC. The drawing must identify all permanent and portable classrooms and their ages on the site. If the square

footage of Option B is selected, the drawings must also identify the square footages of all facilities on the site. In item 1, enter the school site name from the California Public School Directory published by the California Department of Education. For purposes of determining the age of the building for modernization funding, the 25/20 year period shall begin 12 months after the plans for the building were approved by the Division of the State Architect (DSA); or in the case of permanent or portable classrooms previously modernized with State funds, which are eligible for an additional apportionment, the 25/20 year period shall begin on the date of its previous modernization apportionment. Any drawing that includes classrooms eligible for an additional apportionment pursuant to Section 1859.78.8 should specify both the date the classroom's plans were originally approved by the DSA and the date of its previous modernization apportionment.

1. Enter the school site name from the California Public School Directory published by the California Department of Education.

Option A

2. Enter the number of permanent classrooms by grade level at the school site that would have been included in the Gross Classroom Inventory pursuant to Section 1859.31 that are at least 25 years old and include any permanent classrooms not previously reported that have become at least 25 years old. If the school is a 6–8 middle school only, then report all classrooms at the 7–8 grade level. If this request is to adjust the classrooms reported for non-severe or severe pupil loading, the total classrooms reported must be equal to the classrooms reported at the time of the district request for initial modernization baseline eligibility. In no event may the number of classrooms reported for non-severe or severe pupils exceed the number of classrooms needed to house non-severe and severe pupils as reported on line 6 using loading standards of 13 for non-severe and 9 for severe classrooms. For purposes of the California Schools for the Deaf and Blind, the loading standard for these severe pupils shall be 9.
3. Enter the total number of portable classrooms by grade level at the school site that would have been included in the Gross Classroom Inventory pursuant to Section 1859.31 that are at least 20 years old and include any portable classrooms not previously reported that have become at least 20 years old. If the school is a 6–8 middle school only, then report all classrooms at the 7–8 grade level. If this request is to adjust the classrooms reported for non-severe or severe pupil loading, the total classrooms reported must be equal to the classrooms reported at the time of the district request for initial modernization baseline eligibility. In no event may the number of classrooms reported for non-severe or severe pupils exceed the number of classrooms needed to house non-severe and severe pupils as reported on line 6 using loading standards of 13 for non-severe and 9 for severe classrooms.
4. Add lines 2 and 3 by the grades shown.
5. Multiply line 4 by 25 for K–6, 27 for 7–8 and 9–12, 13 for non-severe and 9 for severe.
6. Enter the latest California Basic Educational Data Systems (CBEDS) enrollment for the school site identified as it would have been reported utilizing the criteria in Parts A, B and C of Form SAB 50-01. Report continuation high pupils as 9–12. If the school is a 6–8 middle school only, report 6th graders as 7–8.
7. Modernization eligibility (i.e., the baseline eligibility) is the lesser of each column of lines 5 or 6.

**ELIGIBILITY DETERMINATION
SCHOOL FACILITY PROGRAM****Option B**

2. Enter the total number of permanent classrooms at the school site that would have been included in the Gross Classroom Inventory pursuant to Section 1859.31 or all permanent square footage at the site that is at least 25 years old.
3. Enter the total number of portable classrooms at the school site that would have been included in the Gross Classroom Inventory pursuant to Section 1859.31 or all portable square footage at the site that is at least 20 years old pursuant to Section 1859.60.
4. Add lines 2 and 3.
5. Enter the remaining number of permanent and portable classrooms at the school site that would have been included in the Gross Classroom Inventory pursuant to Section 1859.31 or all remaining permanent or portable space that is under 25/20 years old.
6. Add lines 4 and 5.
7. Determine the percentage of space on the site that is at least 25/20 years old by dividing line 4 by line 6. Round to four decimal places.
8. Enter the latest CBEDS enrollment for each grade group at the school site identified as it would have been reported utilizing the criteria in Parts A, B and C of Form SAB 50-01. Report continuation high pupils as 9–12. If the school is a 6–8 middle school only, report 6th graders as 7–8.
9. Modernization eligibility (i.e., the baseline eligibility) is determined by multiplying line 7 by each grade group reported in line 8. Round up.

Adjustments to the District's modernization baseline eligibility will be made pursuant to Section 1859.61. These adjustments will **automatically** be made by the OPSC. Contact your project manager at the OPSC for the adjusted baseline eligibility for future requests for modernization grants at the specific site.

STATE OF CALIFORNIA
ELIGIBILITY DETERMINATION
SCHOOL FACILITY PROGRAM

SAB 50-03 (REV 06/0405/06)

SCHOOL DISTRICT	FIVE-DIGIT DISTRICT CODE NUMBER (SEE CALIFORNIA PUBLIC SCHOOL DIRECTORY)
BUSINESS ADDRESS	HIGH SCHOOL ATTENDANCE AREA (HSAA) OR SUPER HSAA (IF APPLICABLE)
CITY/COUNTY	

Part I – District Representative Information

The following individual(s) have been designated as district representative(s) by school board minutes or the designee of the Superintendent of Public Instruction:

DISTRICT REPRESENTATIVE	TELEPHONE NUMBER	E-MAIL ADDRESS
DISTRICT REPRESENTATIVE	TELEPHONE NUMBER	E-MAIL ADDRESS

Part II – New Construction Eligibility Determination NEW ADJUSTED

	K-6	7-8	9-12	Non-Severe	Severe
1. Projected Enrollment (Part G, Form SAB 50-01)					
2. Existing School Building Capacity (Part III, Line 5 of Form SAB 50-02)					
3. New Construction Baseline Eligibility (Line 1 minus Line 2)					

Part III – Modernization Eligibility Determination NEW ADJUSTED

1. School Name					
Option A	K-6	7-8	9-12	Non-Severe	Severe
2. Permanent classrooms at least 25 years old					
3. Portable classrooms at least 20 years old					
4. Total (Lines 2 and 3)					
5. Multiply Line 4 by: 25 for K-6, 27 for 7-8 and 9-12, 13 for Non-Severe and 9 for Severe					
6. CBEDS enrollment at school					
7. Modernization Eligibility (lesser of each column of Lines 5 or 6)					
Option B					
2. Permanent space at least 25 years old (report by classroom or square footage)					
3. Portable space at least 20 years old					
4. Total (Lines 2 and 3)					
5. Remaining permanent and portable space (report by classroom or square footage)					
6. Total (Lines 4 and 5)					
7. Percentage (divide Line 4 by Line 6)					
	K-6	7-8	9-12	Non-Severe	Severe
8. CBEDS enrollment at school					
9. Modernization Eligibility (multiply Line 7 by each grade group reported on Line 8)					

I certify, as the District Representative, that the information reported on this form is true and correct and that:

- I am designated as an authorized district representative by the governing board of the district or the designee of the Superintendent of Public Instruction; and,
- A resolution or other appropriate documentation supporting this application under Chapter 12.5, Part 10, Division 1, commencing with Section 17070.10, et seq., of the Education Code was adopted by the School District's Governing Board or the designee of the Superintendent of Public Instruction on _____; and,
- This form is an exact duplicate (verbatim) of the form provided by Office of Public School Construction. In the event a conflict should exist, then the language in the OPSC form will prevail.

SIGNATURE OF DISTRICT REPRESENTATIVE	DATE
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GENERAL INFORMATION

Once the Board has determined or adjusted the district's eligibility for either new construction or modernization funding, the district may file an application for funding by use of this form. The Board will only provide new construction funding if this form is submitted prior to the date of occupancy of any classrooms included in the construction contract. If the district has a pending reorganization election that will result in the loss of eligibility for the proposed project, the district may not file an application for funding until the Board has adjusted the district's new construction baseline eligibility as required in Section 1859.51. This may be accomplished by completion of Form SAB 50-01, Form SAB 50-02 and Form SAB 50-03.

For purposes of Education Code Section 17073.25, the California Department of Education (CDE) is permitted to file modernization applications on behalf of the California Schools for the Deaf and Blind.

Requests for funding may be made as follows:

1. A separate apportionment for site acquisition for a new construction project for environmental hardship pursuant to Section 1859.75.1. For purposes of this apportionment, the following documents must be submitted with this form (as appropriate):
 - Form SAB 50-01, Form SAB 50-02 and Form SAB 50-03 (if not previously submitted).
 - Contingent site approval letter from the CDE.
 - Preliminary appraisal of property.
 - Approval letter from the Department of Toxic Substances Control.
2. A separate apportionment for site acquisition and/or design costs for a new construction project pursuant to Section 1859.81.1. This apportionment is available only to districts that meet the financial hardship criteria in Section 1859.81. Districts may apply for a separate apportionment for the design and for site acquisition on the same project. For purposes of this apportionment, the following documents must be submitted with this form (as appropriate):
 - Form SAB 50-01, Form SAB 50-02, and Form SAB 50-03 (if not previously submitted).
 - Contingent site approval letter from the CDE (site apportionment only).
 - Preliminary appraisal of property (site apportionment only).
3. A separate apportionment for district-owned site acquisition cost pursuant to Section 1859.81.2. For purposes of this apportionment, the following documents must be submitted with this form (as appropriate):
 - Form SAB 50-01, Form SAB 50-02, and Form SAB 50-03 (if not previously submitted).
 - Site approval letter from the CDE.
 - Appraisal of district-owned site.
 - Cost benefit analysis as prescribed in Section 1859.74.6 or a copy of the Board finding that the non-school function on the district-owned site must be relocated.
4. A separate apportionment for design cost for a modernization project pursuant to Section 1859.81.1. This apportionment is available only to districts that meet the financial hardship criteria in Section 1859.81. For purposes of this apportionment, the Form SAB 50-03 must accompany this form (if not previously submitted).
5. A New Construction Adjusted Grant pursuant to Section 1859.70. If the funding request includes site acquisition, the proposed site must either be owned by the district, in escrow, or the district has filed condemnation proceedings and received an order of possession of the site. For purposes of this apportionment, the following documents must be submitted with this form (as appropriate):
 - Form SAB 50-01, Form SAB 50-02 and Form SAB 50-03 (if not previously submitted).
 - Site/plan approval letter from the CDE.
 - Appraisal of property if requesting site acquisition funds.
 - Plans and specifications (P&S) for the project that were approved by the DSA. Submittal of plans may be on CD-ROM or "Zip Drive" readable in AutoCAD 14. The specifications may be provided on a diskette that is IBM compatible.
 - Cost estimate of proposed site development, if requesting site development funding.
 - If this request is pursuant to Section 1859.77.2 and the district's housing plan is other than those listed in the certification section of this form, a copy of the school board resolution and the approved housing plan.
 - If the site apportionment is requested pursuant to Regulation Section 1859.74.5, a cost benefit analysis as prescribed in Regulation Section 1859.74.6 or a copy of the Board finding that the non-school function on the district-owned site must be relocated.
 - If this request is fully or partially based on eligibility derived from an Alternative Enrollment Projection, a justification of how the project relieves overcrowding, including but not limited to, the elimination of the use of Concept 6 calendars, four track year-round calendars, or bussing in excess of 40 minutes.

Modernization Adjusted Grant pursuant to Section 1859.70. For purposes of this apportionment, the following documents must be submitted with this form (as appropriate):

- Form SAB 50-03 (if not previously submitted).
- P&S for the project that were approved by the DSA.
- DSA approval letter for elevator to meet handicapped compliance, if funding is requested.
- Plan approval letter from the CDE.
- Districtwide enrollment data on Form SAB 50-01 when requesting project assistance (if not previously submitted).
- If the request includes funding for 50 year old permanent buildings pursuant to Section 1859.78.6, a site diagram identifying all buildings to be modernized in the project. The diagram must specify those buildings that are at least 50 years old.

Prior to acceptance of an application for funding that includes a financial hardship request, the district must have its financial hardship status "pre-approved" by the Office of Public School Construction (OPSC). To apply for a financial hardship "pre-approval", consult the OPSC Web site at www.opsc.dgs.ca.gov.

If the district is requesting New Construction funding after the initial baseline eligibility was approved by the Board and the district's current CBEDS enrollment reporting year is later than the enrollment reporting year used to determine the district's baseline eligibility or adjusted eligibility, the district must complete a new Form SAB 50-01 based on the current year CBEDS enrollment data, and submit it to the OPSC with this form. In addition, if the district's request is fully or partially based on eligibility derived from an Alternative Enrollment Projection, the district must update the Alternative Enrollment Projection to correspond with the CBEDS enrollment data for the current year. A small district with 2,500 or less enrollment as defined in Section 1859.2 will not have its eligibility reduced for a period of three years from the date the district's baseline eligibility was approved by the Board as a result of reduction in projected enrollment.

For a list of the documents that must be submitted in deorr for the OPSC to deem a funding request for new construction or modernization complete and ready for OPSC processing, consult the SFP handbook and other information located on the OPSC Web site at www.opsc.dgs.ca.gov.

For purposes of completing this form for a Final Charter School Apportionment, a charter school shall be treated as a school district.

SPECIFIC INSTRUCTIONS

The district must assign a Project Tracking Number (PTN) to this project. The same PTN is used by the OPSC, the DSA and the CDE for all project applications submitted to those agencies to track a particular project through the entire state application review process. If the district has already assigned a PTN to this project by prior submittal of the P&S to either the DSA or the CDE for approval, use that PTN for this application submittal. If no PTN has been previously assigned for this project, a PTN may be obtained from the OPSC Web site at www.opsc.dgs.ca.gov "PT Number Generator"

1. Type of Application

Check the appropriate box that indicates the type of School Facility Program (SFP) grant the district is requesting for purposes of new construction, modernization, a separate design and/or site apportionment, site apportionment as an environmental hardship or New Construction (Final Apportionment). If the application is for the modernization of school facilities and includes facilities that are eligible for an additional apportionment pursuant to Section 1859.78.8, include a site diagram with this application that specifies the age of each facility eligible for modernization. The diagram should also indicate the date of its original DSA plan approval and the date the facility received its prior modernization apportionment. If known include the project modernization number on the diagram. If the application is for modernization of a California School for the Deaf or Blind, the CDE shall check the box identified as Modernization of California Schools for the Deaf/Blind. If the request is for a separate design apportionment, the CDE shall check the appropriate box. If the eligibility for this project was established as a result of the need for new or replacement facilities pursuant to Section 1859.82 (a) and (b), or rehabilitation pursuant to Section 1859.83 (e), check the appropriate box.

If this request is for an addition to an existing site and advance funding for the evaluation and RA costs, check the appropriate box and refer to Section 1859.74.4.

If this request is to convert a Preliminary Apportionment or a Preliminary Charter School Apportionment to a Final Apportionment, check the New Construction (Final Apportionment or Final Charter School Apportionment) box.

If the district is requesting a separate site and/or design apportionment, complete boxes 2a, 3, 4, the site acquisition data in box 5 (d and e), and boxes 12, 13, 14, 15 and 21 only.

2. Type of Project

a. Select the type of project that best represents this application request and enter the total number of pupils assigned to the project for each grade group. Include pupils to be housed in a new or replacement school authorized by Section 1859.82 (a). The amount entered cannot exceed the district's baseline eligibility determined on Form SAB 50-03 and will be the basis for the amount of the new construction or modernization grants provided for the project.

If this request is for a Final Apportionment, the pupils assigned to the project must be at least 75 percent, but not more than 100 percent, of the pupils that received the Preliminary Apportionment. Refer to Section 1859.147.

b. Check the box if the project is eligible for funding for 50 year or older permanent buildings and report, at the option of the district:

- The total number of eligible classrooms or the total eligible square footage building area at the site. Refer to Section 1859.78.6(b)(1)(A) or (b)(2)(A).
 - The total number of permanent classrooms or the total permanent square footage building area that is at least 50 years old and not been previously modernized with state funds. Refer to Section 1859.78.6(b)(1)(B) or (b)(2)(B).
 - Enter the greater percentage as calculated under Regulation Section 1859.78.6(b)(1)(C) or Regulation Section 1859.78.6(b)(2)(C).
 - If this project includes eligible 50 year or older pupil grants, enter the appropriate number assigned to the project for each grade group. The number of pupils entered cannot exceed the cumulative number of 50 year or older permanent buildings pupil grants requested for all modernization funding applications for the site as determined by using the percentage factor above.
- c. If this request includes pupil grants generated by an Alternative Enrollment Projection Method, enter the number of pupils by grade level.
 - d. Indicate if this request is for funding of a 6–8 school and/or an Alternative Education School.
 - e. [Indicate the site scenario that best represents the project request](#) **Check the box(es) if the district requests and the project qualifies for additional funding for fire code requirements authorized in Sections 1859.71.2 or 1859.78.4.**
 - f. Check the applicable box if the district is requesting additional pupil grants assigned to the project that exceed the capacity of the project or if the pupils assigned represent eligibility determined at another grade level and check the appropriate box to indicate under which regulation the district is applying. The pupil capacity of the project may be determined by multiplying the classrooms reported in box 3 by 25 for K–6; 27 for 7–8, 9–12 grades; 13 for non-severe and 9 for severe.
 - g. If the request is for replacement facilities pursuant to Section 1859.82 (a) or (b) on the same site, check the facility hardship box.

3. Number of Classrooms

Enter the:

- Number of classrooms as shown on the plans and specifications (P&S). If there was demolition at the site, report the net increase in the number of classrooms showing in the P&S.
- Master plan site size, as recommended by the California Department of Education.
- Recommended site size, as determined by the California Department of Education.
- Existing Useable Acres already owned at that location (if any).
- Proposed Useable Acres that was/will be purchased as part of the application (if any).

4. Financial Hardship Request

Check the box if the district is requesting financial hardship assistance because it is unable to meet its matching share requirement. Refer to Section 1859.81 for eligibility criteria. Districts requesting financial assistance must have received a pre-approval for financial hardship status by the OPSC. Consult the OPSC Web site at www.opsc.dgs.ca.gov for details and necessary documentation needed in order to determine eligibility.

5. New Construction Additional Grant Request

Check the appropriate box(es) if the district requests an augmentation to the new construction grant for "additional" grants for the items listed or for replacement facilities pursuant to Section 1859.82 (a) and (b). Refer to Sections 1859.72 through 1859.76 and 1859.82 (a) and (b) for eligibility criteria. Enter the:

- a. Therapy area in square feet as provided in Section 1859.72.
- b. Multilevel classrooms in the P&S pursuant to Section 1859.73.
- c. Check the box if the district is requesting project assistance pursuant to Section 1859.73.1. If the district has not submitted a request for new construction baseline eligibility on a district-wide basis, it must submit a current Form SAB 50-01 based on district-wide enrollment data with this form.
- d. [If the project the district is requesting SFP funding does not require an RA](#) **Indicate the site scenario that best represents the project request. If no RA is required**, refer to Section 1859.74. If a RA is required on a site that is not leased or an addition to an existing site, refer to Section 1859.74.2. If RAs are required on a leased site or an addition to an existing site, refer to Sections 1859.74.3 or 1859.74.4, respectively. The limitation of 50 percent may be exceeded when unforeseen circumstances exist, the CDE determines that the site is the best available site, and substantiation that the costs are the minimum required to complete the evaluation and RA.
 - (1) Enter 50 percent of the actual cost.
 - (2) Enter 50 percent of the appraised value of the site. If the request is made pursuant to Regulation Section 1859.74.5, enter 50 percent of the appraised value.
 - (3) Enter 50 percent of the allowable relocation cost.
 - (4) Enter two percent of the lesser of the actual cost or appraised value of the site (minimum \$25,000).
 - (5) Enter 50 percent of the Department of Toxic Substances Control (DTSC) fee for review and approval of the phase one environmental site assessment and preliminary endangerment assessment reports. Refer to Sections 1859.74, 1859.74.1, 1859.74.5, 1859.75, 1859.75.1 and 1859.81.1.

A project that received site acquisition funds under the Lease-Purchase Program (LPP) as a priority two project is not eligible for site acquisition funds under the SFP. A district-owned site acquired with LPP, SFP or Proposition 1A funds is not eligible for funding under Regulation Section 1859.74.5.

- e. Enter 50 percent of the amount allowable for hazardous materials/waste removal and/or remediation for the site acquired pursuant to Sections 1859.74.2, 1859.74.3, 1859.74.4, 1859.75.1 or 1859.81.1. If an RA is required, check the box.
- f. Enter 50 percent of eligible service-site development, off-site development including pedestrian safety paths and utilities costs allowed pursuant to Section 1859.76. Attach cost estimates of the proposed site development work which shall be supported and justified in the P&S. All cost estimates shall reflect 100 percent of the proposed work.
- g. If the district is requesting replacement facilities on the same site, enter the square footage requested as provided in Section 1859.82 (a) or (b).
- h. Enter the square feet of eligible replacement area as provided by Section 1859.73.2.
- i. If the district is requesting an Additional Grant for Energy Efficiency pursuant to Section 1859.71.3, enter the percentage of energy efficiency that exceeds Title 24 requirements as prescribed in Section 1859.71.3 (a)(3).
- j. [Check the box\(es\) if the district requests and the project qualifies for additional funding for fire code requirements authorized in Section 1859.71.2.](#)

6. Modernization Additional Grant Request

- a. Check the box if the district is requesting project assistance allowance pursuant to Section 1859.78.2. If the district has not submitted a request for new construction baseline eligibility on a district-wide basis, it must submit a current Form SAB 50-01 based on district-wide enrollment data with this form.
- b. If the district is requesting an Additional Grant for Energy Efficiency pursuant to Section 1859.78.5, enter the percentage of energy efficiency that exceeds Title 24 requirements as prescribed in Section 1859.78.5 (a)(3).
- c. Check the box if the district requests an additional grant for site development utility cost necessary for the modernization of 50 years or older permanent building(s). Enter 60 percent of the eligible costs allowable pursuant to Section 1859.78.7(a).
- d. [Check the box\(es\) if the district requests and the project qualifies for additional funding for fire code requirements authorized in Section 1859.78.4.](#)

7. Excessive Cost Hardship Request

Check the appropriate box to request an augmentation to the New Construction or Modernization Grants for an excessive cost hardship for the items listed. Refer to Section 1859.83 for eligibility criteria. Requests for excessive cost grants for a new two-stop elevator(s) and for additional stops in a modernization project are allowed only if required by the Division of the State Architect (DSA). Attach copy of the DSA letter that requires that the elevator(s) be included in the project for handicapped access compliance.

If the request is for the excessive cost grant for a new Alternative Education school pursuant to Section 1859.83(c)(2) and the district wishes to request less than the maximum allowance, please submit a letter along with application indicating the desired amount.

If the request is for rehabilitation mitigation, report 80 percent or 60 percent (as appropriate) of health/safety rehabilitation mitigation cost for a modernization project as authorized by Section 1859.83 (e).

8. Project Priority Funding Order

Enter the priority order of this project in relation to other new construction applications submitted by the district on the same date. If applications are not received on the same date, the OPSC will assign a higher district priority to the application received first. Check the box(es) if the project meets the criteria outlined in Section 1859.92(c)(3),(4) and (6), as appropriate. This information is needed for purposes of priority points.

9. Prior Approval Under the LPP

If the project the district is requesting SFP grants for received a Phase P, S, or C approval under the LPP, report the application number of that project, regardless if the project actually received funding or was included on an "unfunded" list. Failure to report this information may delay the processing of the application by the OPSC.

10. Prior Apportionment Under the SFP

If the project received a separate apportionment under the SFP for either site and/or design, or site environmental hardship, enter the application number of the project. Failure to report this information may delay the processing of the application by the OPSC.

11. Preliminary Apportionment to a Final Apportionment

If this request is to convert a Preliminary Apportionment to a Final Apportionment, enter the application number of the Preliminary Apportionment. Failure to report this information may delay the processing of the application by the OPSC.

12. Alternative Developer Fee

The district must report certain alternative fees collected pursuant to Government Code Section 65995.7, as of the date of application submittal to the OPSC. Refer to Section 1859.77 for details. Districts are advised that the OPSC may perform an audit of the developer fees collected prior to application approval by the Board.

13. Adjustment to New Construction Baseline Eligibility

Complete only for new construction projects:

Pursuant to Section 1859.51 certain adjustments to the district's new construction baseline eligibility must be made each time a district submits Form SAB 50-04, to the OPSC for SFP new construction or modernization grants. These adjustments are made **automatically** by the OPSC based on information reported by the district on this form.

- a. In the additional classroom column, Report all **additional** classroom(s) provided after the district submitted its request for determination of its new construction baseline eligibility for the grades shown. Refer to Section 1859.51(i).

In the replacement classroom column, indicate the number of classrooms that were included in the determination of the district's new construction eligibility pursuant to Education Code Section 17071.75 but replaced in a locally funded project. Refer to Section 1859.51(i)(10).

- b. If the eligibility for this project was determined on a high school attendance area (HSAA) or Super HSAA pursuant to Section 1859.41, enter the number of pupils by grade level type that were included in the latest report by the CDE pursuant to Education Code Section 42268 that received operational grants in that HSAA or Super HSAA.

14. Pending Reorganization Election

Complete only for new construction projects. Indicate if there is a pending reorganization election that will result in a loss of eligibility for this project. If the answer is "yes", the district must complete Form SAB 50-01, Form SAB 50-02 and Form SAB 50-03, to adjust the district's new construction baseline eligibility as a result of the reorganization and submit them with this form.

15. Joint-Use Facility/Leased Property

Check the box if:

- The facilities to be constructed/modernized as part of this project will be for joint use by other governmental agencies.
- The new construction or modernization grants will be used for facilities located or to be located on leased property.

16. Project Progress Dates

Complete this section for new construction/modernization projects:

- Enter the date the initial construction contract was signed for this project. If a construction contract has not been executed, enter N/A.
- Enter the issue date for the Notice to Proceed for the construction phase of the project, or enter N/A if a Notice to Proceed has not been issued.

17. Labor Compliance Program

Indicate whether the district is subject to a Labor Compliance Program that has been approved by the Department of Industrial Relations pursuant to Labor Code Section 1771.7 by checking the appropriate box.

18. Construction Delivery Method

Check the box that best represents the construction delivery method that the district has or will use for this project, if known.

19. Architect of Record or Licensed Architect Certification

The architect of record or the licensed architect must complete this section.

20. Architect of Record or Design Professional Certification

The architect of record or the appropriate design professional must complete this section.

21. Certification

The district representative must complete this section. For additional information regarding district certifications, refer to the SFP handbook located on the OPSC web site at www.opsc.dgs.ca.gov.

**APPLICATION FOR FUNDING
SCHOOL FACILITY PROGRAM**

The school district named below applies to the State Allocation Board via the Office of Public School Construction for a grant under the provisions of Chapter 12.5, Part 10, Division 1, commencing with Section 17070.10, et seq., of the Education Code and the Regulations thereto.

SCHOOL DISTRICT		APPLICATION NUMBER
SCHOOL NAME		PROJECT TRACKING NUMBER
COUNTY	DISTRICT REPRESENTATIVE'S E-MAIL ADDRESS	HIGH SCHOOL ATTENDANCE AREA (HSAA) OR SUPER HSAA (IF APPLICABLE)

1. Type of Application—Check Only One

- New Construction
- New Construction (Final Apportionment)
- New Construction (Final Charter School Apportionment)
- Modernization
- Modernization of California Schools for Deaf/Blind

Separate Apportionment

- Site Only—New Construction [Section 1859.81.1]
- Site Only (District owned)—New Construction [Section 1859.81.2]
- Site Only—Environmental Hardship [Section 1859.75.1]
- Design Only—New Construction [Section 1859.81.1]
- Design Only—Modernization
- Design Only—Modernization of California Schools for Deaf/Blind
- Facility Hardship [Section 1859.82(a)]
- Facility Hardship [Section 1859.82(b)]
- Rehabilitation [Section 1859.83(e)]
- Advance Funding for Evaluation and RA

2. Type of Project

- a. Elementary School **Total Pupils Assigned:**
- Middle School K-6: _____
 - High School 7-8: _____
 - 9-12: _____
 - Non-Severe: _____
 - Severe: _____
- b. 50 Years or Older Building Funding (Modernization Only)
- Total Eligible Classrooms/Square Footage: _____
- Classroom/Square Footage at Least 50 Years Old: _____
- Ratio of 50 Years Old Classrooms/Square Footage: _____ %
- From 2a above, how many are 50 Year or Older Pupil Grants?
- K-6: _____
 - 7-8: _____
 - 9-12: _____
 - Non-Severe: _____
 - Severe: _____
- c. Included in 2a above, how many pupils are generated by the Alternative Enrollment Projection? (New Construction Only)
- K-6: _____
 - 7-8: _____
 - 9-12: _____
 - Non-Severe: _____
 - Severe: _____

d. Is this a 6-8 school? Yes No

If you answered yes, how many K-6 pupils reported above are sixth graders? _____

Is this an Alternative Education School? Yes No

e. Project to be located on:

- Leased Site
- New Site
- Existing Site with Additional Acreage Acquired
- Existing Site with No Additional Acreage Acquired

e. Automatic Fire Detection/Alarm System

Automatic Sprinkler System

f. Is this a use of grant request pursuant to Section 1859.77.2? Yes No

Is this request pursuant to Section 1859.77.2(c)? Yes No

If yes, enter date of successful bond election: _____

Is this a use of grant request pursuant to Section 1859.77.3? Yes No

Is this request pursuant to Section 1859.77.3(c)? Yes No

If yes, enter date of successful bond election: _____

g. Facility Hardship (no pupils assigned)

3. Number of Classrooms:

- Master Plan Acreage Site Size (Useable): _____
- Recommended Site Size (Useable): _____
- Existing Acres (Useable): _____
- Proposed Acres (Useable): _____

4. Financial Hardship Request—Must Have Pre-Approval by OPSC

5. New Construction Additional Grant Request—New Construction Only

- a. Therapy: Toilets (sq. ft.) _____
- Other (sq. ft.) _____
- b. Multilevel Construction (CRS): _____
- c. Project Assistance
- d. Site Acquisition:
- Leased Site
 - Additional Acreage to Existing Site
 - Addition to Existing Site
- (1) 50 percent Actual Cost: \$ _____
- (2) 50 percent Appraised Value: \$ _____
- (3) 50 percent Relocation Cost: \$ _____
- (4) 2 percent (min. \$25,000): \$ _____
- (5) 50 percent DTSC Fee: \$ _____
- e. 50 percent hazardous waste removal: \$ _____
- Response Action (RA)

**APPLICATION FOR FUNDING
SCHOOL FACILITY PROGRAM**

- f. Site Development
 - 50 percent Service-Site: \$ _____
 - 50 percent Off-Site: \$ _____
 - 50 percent Utilities: \$ _____
- g. Facility Hardship Section 1859.82(a) or (b)
 - Toilet (sq. ft.): _____
 - Other (sq. ft.): _____
- h. Replacement area
 - Toilet (sq. ft.): _____
 - Other (sq. ft.): _____
- i. Energy Efficiency: _____ %
- j. [Automatic Fire Detection/Alarm System](#)
- [Automatic Sprinkler System](#)

6. Modernization Additional Grant Request—Modernization Only

- a. Project Assistance
- b. Energy Efficiency: _____ %
- c. Site Development—60 percent utilities: \$ _____
- d. [Automatic Fire Detection/Alarm System](#)
- [Automatic Sprinkler System](#)

7. Excessive Cost Hardship Request

New Construction Only

- Geographic Percent Factor: _____ %
- New School Project [Section 1859.83(c)(1)]
- New School Project [Section 1859.83(c)(2)]
- Small Size Project
- Urban/Security/Impacted Site:
If a new site, \$ _____ per Useable Acre [Section 1859.83(d)(2)(C)]

Modernization Only

- Rehabilitation/Mitigation [Section 1859.83(e)]: \$ _____
- Geographic Percent Factor: _____ %
- Handicapped Access/Fire Code (3 percent)
- Number of 2-Stop Elevators: _____
- Number of Additional Stops: _____
- Small Size Project
- Urban/Security/Impacted site

8. Project Priority Funding Order—New Construction Only

Priority order of this application in relation to other new construction applications submitted by the district at the same time: # _____

Project meets:

- Density requirement pursuant to Section 1859.92(c)(3).
- Stock plans requirement pursuant to Section 1859.92(c)(4).
- Energy efficiency requirement pursuant to Section 1859.92(c)(6).

9. Prior Approval Under the LPP

New Construction: 22/ _____

Modernization: 77/ _____

10. Prior Apportionment Under the SFP

Site/Design—New Construction: 50/ _____

Design—Modernization: 57/ _____

11. Preliminary Apportionment to Final Apportionment

Preliminary Apportionment Application Number: # _____

12. Alternative Developer Fee—New Construction Only

Alternative developer fee collected and reportable pursuant to
Regulation Section 1859.77: \$ _____

13. Adjustment to [New Construction](#) Baseline Eligibility—[New Construction Only](#)

a. **Additional** Classroom(s) provided:

<u>Additional:</u>	<u>Replacement:</u>
K-6: _____	<u>K-6:</u> _____
7-8: _____	<u>7-8:</u> _____
9-12: _____	<u>9-12:</u> _____
Non-Severe: _____	<u>Non-Severe:</u> _____
Severe: _____	<u>Severe:</u> _____

Construction Contract(s) for the project signed on:

- b. Operational Grant (HSAA) only:
 - K-6: _____
 - 7-8: _____
 - 9-12: _____
 - Non-Severe: _____
 - Severe: _____

14. Pending Reorganization Election—New Construction Only Yes No

15. Joint-Use Facility/Leased Property

- a. Joint-Use Facility
- b. Leased Property

16. Project Progress Dates

- a. Construction Contract signed on: _____
- b. Notice to Proceed issued on: _____

17. Labor Compliance Program

Will you be required to initiate and enforce a Labor Compliance Program pursuant to Labor Code Section 1771.7 for this project? Yes No

18. Construction Delivery Method

- Design-Bid-Build
- Design-Build
- Developer Built
- Lease Lease-Back
- Energy Performance Contract
- [This project includes piggyback contract\(s\)](#)
- Other: _____

**APPLICATION FOR FUNDING
SCHOOL FACILITY PROGRAM**

19. Architect of Record or Licensed Architect Certification

I certify as the architect of record for the project or as a licensed architect that:

- The P&S for this project were submitted to the OPSC by electronic medium (i.e., CD-ROM, zip disk or diskette) or as an alternative, if the request is for a modernization Grant, the P&S were submitted in hard copy to the OPSC.
- Any portion of the P&S requiring review and approval by the Division of the State Architect (DSA) were approved by the DSA on _____ (enter DSA approval date).
- Any portion of the P&S not requiring review and approval by the DSA meets the requirements of the California Code of Regulations, Title 24, including any handicapped access and fire code requirements.
- If the request is for a Modernization Grant, the P&S include the demolition of more classrooms than those to be constructed in the project, the difference is _____ classroom(s). (Indicate N/A if there are none.)
- If the request is for a Modernization Grant, the P&S include the construction of more classrooms than those to be demolished in the project, the difference is _____ classroom(s). (Indicate N/A if there are none.)

ARCHITECT OF RECORD OR LICENSED ARCHITECT (PRINT NAME)

_____ SIGNATURE	_____ DATE
--------------------	---------------

20. Architect of Record or Design Professional Certification

I certify as the architect of record for the project or the appropriate design professional, that:

- If the request is for a New Construction Grant, I have developed a cost estimate of the proposed project which indicates that the estimated construction cost of the work in the P&S including deferred items (if any) relating to the proposed project, is at least 60 percent of the total grant amount provided by the State and the district's matching share, less site acquisition costs. This cost estimate does not include site acquisition, planning, tests, inspection, or furniture and equipment and is available at the district for review by the OPSC.
- If the request is for a Modernization Grant, I have developed a cost estimate of the proposed project which indicates that the estimated construction cost of the work in the P&S, including deferred items and interim housing (if any) relating to the proposed project, is at least 60 percent of the total grant amount provided by the State and the district's matching share. This cost estimate does not include planning, tests, inspection or furniture and equipment and is available at the district for review by the OPSC.

ARCHITECT OF RECORD OR DESIGN PROFESSIONAL (PRINT NAME)

_____ SIGNATURE	_____ DATE
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21. Certification

I certify, as the District Representative, that the information reported on this form, with the exception of items 16 and 17, is true and correct and that:

- I am an authorized representative of the district as authorized by the governing board of the district; and,
- A resolution or other appropriate documentation supporting this application under Chapter 12.5, Part 10, Division 1, commencing with Section 17070.10, et. seq., of the Education Code was adopted by the school district's governing board or the designee of the Superintendent of Public Instruction on, _____; and,
- The district has established a "Restricted Maintenance Account" for exclusive purpose of providing ongoing and major maintenance of school buildings and has developed an ongoing and major maintenance plan that complies with and is implemented under the provisions of Education Code Section 17070.75 and 17070.77 (refer to Sections 1859.100 through 1859.102); and,
- Pursuant to Education Code Section 17070.755, the district has made a priority of the funds in the restricted maintenance account, established pursuant to Education Code Section 17070.75, to ensure that facilities are functional and meet local hygiene standards; and,
- The district has considered the feasibility of the joint use of land and facilities with other governmental agencies in order to minimize school facility costs; and,
- If this funding request is for the modernization of portable classrooms eligible for an additional apportionment pursuant to Education Code Section 17073.15, the district certifies that (check the applicable box below):
 - 1. The state modernization funds will be used to replace the portable classrooms and permanently remove the displaced portables from the classroom use within six months of the filing of the Notice of Completion for the project; or,
 - 2. It has provided documentation to the Office of Public School Construction which indicates that modernizing the portable classrooms eligible for an additional apportionment is better use of public resources than the replacement of these facilities.
- Facilities to be modernized have not been previously modernized with Lease-Purchase Program, Proposition 1A Funds or School Facility Program state funds; and,
- All contracts entered on or after November 4, 1998 for the service of any architect structural engineer or other design professional for any work under the project have been obtained pursuant to a competitive process that is consistent with the requirements of Chapter 10 (commencing with Section 4525) of Division 5, of Title 1, of the Government Code; and,
- If this request is for new construction funding, the district has received approval of the site and the plans from the CDE. Plan approval is not required if request is for separate design apportionment; and,
- If this request is for modernization funding, the district has received approval of the plans for the project from the CDE. Plan approval is not required if request is for separate design apportionment; and,
- The district has or will comply with the Public Contract Code regarding all laws governing the use of force account labor; and,
- This district has or will comply with Education Code Section 17076.11 regarding at least a 3 percent expenditure goal for disabled veteran business enterprises; and,

APPLICATION FOR FUNDING SCHOOL FACILITY PROGRAM

SAB 50-04 (REV 01/06/05/06)

- The district matching funds required pursuant to Sections 1859.77.1 or 1859.79 has either been expended by the district, deposited in the County School Facility Fund or will be expended by the district prior to the notice of completion for the project; and,
- The district has received the necessary approval of the plans and specifications from the Division of the State Architect unless the request is for a separate site and/or design apportionment; and,
- If the district is requesting site acquisition funds as part of this application, the district has complied with Sections 1859.74 through 1859.75.1 as appropriate; and,
- With the exception of an apportionment made pursuant to Section 1859.75.1, the district understands that the lack of substantial progress toward increasing the pupil capacity or renovation of its facilities within 18 months of receipt of any funding shall be cause for the rescission of the unexpended funds (refer to Section 1859.105); and,
- If the apportionment for this project was made pursuant to Section 1859.75.1, the district understands that the lack of substantial progress toward increasing the pupil capacity or renovation of its facilities within 12 months of receipt of any funding shall be cause for the rescission of the unexpended funds (refer to Section 1859.105.1); and,
- The district understands that funds not released within 18 months of apportionment shall be rescinded and the application shall be denied (refer to Section 1859.90); and,
- The statements set forth in this application and supporting documents are true and correct to the best of my knowledge and belief; and,
- All school facilities purchased or newly constructed under the project for use by pupils who are individuals with exceptional needs, as defined in Education Code Section 56026, shall be designed and located on the school site so as to maximize interaction between those individuals with exceptional needs and other pupils as appropriate to the needs of both; and,
- This form is an exact duplicate (verbatim) of the form provided by the OPSC. In the event a conflict should exist, the language in the OPSC form will prevail; and,
- The district understands that some or all of the State funding for the project must be returned to the State as a result of an audit pursuant to Sections 1859.105, 1859.105.1, 1859.106; and,
- The district has complied with the provisions of Sections 1859.76 and 1859.79.2 and that the portion of the project funded by the State does not contain work specifically prohibited in those Sections; and,
- If the SFP grants will be used for the construction or modernization of school facilities on leased land, the district has entered into a lease agreement for the leased property that meets the requirements of Section 1859.22; and,
- If the application contains a "Use of New Construction Grant" request, the district has adopted a school board resolution and housing plan at a public hearing at a regularly scheduled meeting of the governing board on _____ as specified in Sections 1859.77.2, or 1859.77.3, as appropriate. The district's approved housing plan is as indicated (check all that apply):
 - 1. The district will construct or acquire facilities for housing the pupils with funding not otherwise available to the SFP as a district match within five years of project approval by the SAB and the district must identify the source of the funds. [Applicable for Sections 1859.77.2(a) and (b) and 1859.77.3(a) and (b)]
 - 2. The district will utilize higher district loading standards providing the loading standards are within the approved district's teacher contract and do not exceed 33:1 per classroom. [Applicable for Sections 1859.77.2(a) and (b) and 1859.77.3(a) and (b)]
 - 3. The pupils requested from a different grade level will be housed in classrooms at an existing school in the district which will have its grade level changed, to the grade level requested, at the completion of the proposed SFP project. [Applicable for Sections 1859.77.2(b) and 1859.77.3(b)]
- If the district requested additional funding for fire code requirements pursuant to Sections 1859.71.2 or 1859.78.4, the district will include the automatic fire detection/alarm system and/or automatic sprinkler system in the project prior to completion of the project; and
- If this request is for a Large New Construction Project or a Large Modernization Project, the district has consulted with the career technical advisory committee established pursuant to Education Code Section 8070 and it has considered the need for vocational and career technical facilities to adequately meet its program needs in accordance with Education Code Sections 51224, 51225.3(b) and 52336.1; and
- If the district is requesting an Additional Grant for Energy Efficiency pursuant to Sections 1859.71.3 or 1859.78.5, the increased costs for the energy efficiency components in the project exceeds the amount of funding otherwise available to the district; and
- If this application is submitted after January 1, 2004 for modernization funding, the district has considered the potential for the presence of lead-containing materials in the modernization project and will follow all relevant federal, state, and local standards for the management of any identified lead; and
- The district has or will initiate and enforce a Labor Compliance Program that has been approved by the Department of Industrial Relations, pursuant to Labor Code Section 1771.7, if the project is funded from Propositions 47 or 55 and the Notice to Proceed for the construction phase of the project is issued on or after April 1, 2003; and,
- Beginning with the 2005/2006 fiscal year, the district has complied with Education Code Section 17070.75(e) by establishing a facilities inspection system to ensure that each of its schools is maintained in good repair.

SIGNATURE OF DISTRICT REPRESENTATIVE

DATE

**FUND RELEASE AUTHORIZATION
SCHOOL FACILITY PROGRAM**

SAB 50-05 (REV 02/05/05/06)

Attachment D**GENERAL INSTRUCTIONS (Refer to Title 2, California Code of Regulations Sections 1859.90 and 1859.91)**

After a School Facility Program (SFP) grant has been funded by the Board, the Office of Public School Construction (OPSC) will release the apportioned funds with the exception of design funds, to the appropriate county treasury once the district has completed and submitted this form to the OPSC. Design funds will automatically be released to the district within 30 days of the apportionment, with the exception of Preliminary Apportionments.

- Check the boxes in Part I if the district has current financial hardship status pursuant to Section 1859.81 and is requesting release of Preliminary Apportionment funds for design, engineering, and other preconstruction project costs. Attach to this form the CDE Letter pursuant to Section 1859.149(a)(2).
- Check the boxes in Part II if the Charter School is requesting a release of a Preliminary Charter School Apportionment for design and/or separate site apportionment pursuant to Section 1859.164.2.
- Check the box in Part III, for release of a separate site apportionment provided pursuant to Sections 1859.74.4, 1859.75.1 or 1859.81.1 or for release of Preliminary Apportionment site only acquisition pursuant to 1859.153(b) or (c).

- Check the box(es) in Part IV for release of new construction or modernization funds and enter the appropriate dates:
 - a. [Date of written approval by the Division of the State Architect \(DSA\)](#).
 - a**b**. Issue date of the Notice to Proceed for the construction phase of the project; and,
 - b**c**. Signature date of the initial construction contract entered into by the district for this project.
- Check the boxes in Part V if the district is requesting a separate release of site acquisition funds as part of a new construction project.
- Check the boxes in Part VI if the district is requesting release of joint-use project funds.
- Check the appropriate box(es) in Part VII that identify the district funding sources that have or will be used for the district's share of the project.
- Check the appropriate box(es) in Part VIII that identifies the construction delivery method that the district utilized for this project.

For the purposes of completing this form to obtain a fund release for a Final Charter School Apportionment, a charter school shall be treated as a school district.

**FUND RELEASE AUTHORIZATION
SCHOOL FACILITY PROGRAM**

SAB 50-05 (REV 02/05/05/06)

SCHOOL DISTRICT	APPLICATION NUMBER
SCHOOL NAME	FIVE-DIGIT DISTRICT CODE NUMBER (SEE CALIFORNIA PUBLIC SCHOOL DIRECTORY)
COUNTY	HIGH SCHOOL ATTENDANCE AREA (HSAA) (IF APPLICABLE)

Part I. Preliminary Apportionment—Design Only

- The district certifies it has complied with Section 1859.149(a).
- The district certifies that its applicable matching share has either:
- been deposited in the County School Facility Fund
 - has already been expended by the district for the project
 - will be expended by the district prior to the Notice of Completion for the project
- The district certifies that it currently has Financial Hardship status under the provisions of Section 1859.81.

Part II. Preliminary Charter School Apportionment**A. Design Only**

Pursuant to Section 1859.164.2(a), must be able to check all boxes:

- The Charter School certifies that its applicable matching share has either:
- been deposited in the County School Facility Fund
 - has already been expended by the Charter School for the project
 - will be expended by the Charter School prior to the Notice of Completion for the project
- The Charter School certifies it has current financial soundness status from the California School Finance Authority.

B. Separate Site Apportionment

Pursuant to Section 1859.164.2(b), must be able to check all boxes:

- Release site acquisition funds. The Charter School certifies the funds are needed to place on deposit in order to secure the site acquisition.
- The Charter School certifies that its applicable matching share has either:
- been deposited in the County School Facility Fund
 - has already been expended by the Charter School for the project
 - will be expended by the Charter School prior to the Notice of Completion for the project
- The Charter School certifies it has current financial soundness status from the California School Finance Authority.

Part III. Separate Site Apportionment

- RA on additions to existing school sites pursuant to Section 1859.74.4.

Pursuant to Sections 1859.75.1 or 1859.81.1, district must be able to check both boxes:

- Release site acquisition funds. The district certifies the funds are needed to place on deposit in order to secure the site acquisition.
- The district certifies that its applicable matching share has either:
- been deposited in the County School Facility Fund
 - has already been expended by the district for the project
 - will be expended by the district prior to the Notice of Completion for the project

Part IV. New Construction/Modernization

District must be able to check both boxes:

- The district certifies that its applicable matching share has either:
- been deposited in the County School Facility Fund
 - has already been expended by the district for the project
 - will be expended by the district prior to the Notice of Completion for the project
- The district certifies it has entered into a binding contract(s) for at least 50 percent of the construction included in the plans applicable to the state funded project, which received written DSA approval on _____, and has issued the Notice to Proceed on _____ for that contract signed on _____.

The amount of State funds released for new construction shall be 100 percent of the total SFP New Construction Adjusted Grant, less any site acquisition funds previously released in Part III.

The amount of State funds released for modernization shall be 100 percent of the SFP Modernization Adjusted Grant.

Part V. New Construction—Site Acquisition Only

District must be able to check both boxes:

- The district certifies it has entered escrow for the site (attach copy of escrow instructions).
- The district certifies that its applicable matching share has either:
- been deposited in the County School Facility Fund
 - has already been expended by the district for the project
 - will be expended by the district prior to the Notice of Completion for the project

The amount of State funds released shall be equal to the additional grant provided for site acquisition.

Part VI. Joint-Use Projects

- The district certifies that the Joint-Use Partners' financial contribution has either:
- been received and deposited in the County School Facility Fund
 - has been received and expended by the district
 - will be received and expended by the district prior to the Notice of Completion for the project
- The district certifies it has entered into a binding contract(s) for at least 50 percent of the construction included in the plans applicable to the state funded project.

The amount of State funds released for new construction shall be 100 percent of the Joint-Use Grant.

FUND RELEASE AUTHORIZATION
SCHOOL FACILITY PROGRAM

Part VII. Identify District and Joint-Use Partners' Funding Sources

- Available bond funds such as general obligation, or Mello-Roos.
- Available developer fees, proceeds from the sale of surplus property, or federal grants.
- Other funds available (identify)
- Funds already expended by the district for the project.
- Funds already expended by the Joint-Use Partners for the project.
- Future revenue sources to be used for the project (identify)

Part VIII. Identify District's Construction Delivery Method

- Design-Bid-Build
- Design-Build
- Developer Built
- Lease Lease-Back
- Energy Performance Contract
- This project includes piggyback contract(s)
- Other: _____

I certify, as the District Representative, that the information reported on this form is true and correct and that:

- The site where buildings will be modernized must comply with Education Code Sections 17212, 17212.5, and 17213; and,
- The grant amount provided by the State, combined with local matching funds or the Joint-Use Partner's financial contribution, are sufficient to complete the school construction project, unless the request is for a separate site and/or design apportionment; and,
- The district has or will comply with the Public Contract Code regarding all laws governing the use of force account labor; and,
- This project for which the grant amount is provided complies with Education Code Sections 17070.50 and 17072.30; and,
- The district shall certify at the time of a fund release for the project that it complies with Section 1859.90.1.
- This form is an exact duplicate (verbatim) of the form provided by the Office of Public School Construction (OPSC). In the event a conflict should exist, then the language in the OPSC form will prevail; and,
- The district has or will initiate and enforce a Labor Compliance Program that has been approved by the Department of Industrial Relations, pursuant to Labor Code Section 1771.7, if the project is funded from Propositions 47 or 55 and the Notice to Proceed for the construction phase of the project is issued on or after April 1, 2003.

SIGNATURE OF DISTRICT REPRESENTATIVE	DATE
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REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, May 24, 2006

MULTISTORY REPLACEMENT OF SINGLE-STORY FACILITIES

PURPOSE OF REPORT

To request:

1. Adoption of amendments to the School Facility Program (SFP) Regulation Section 1859.73.2, *New Construction Additional Grant for Replaced Facilities*.
2. Authorization to file the proposed amendments with the Office of Administrative Law (OAL).

BACKGROUND

At the January 2006 meeting of the State Allocation Board (SAB), Staff was directed to examine why there have been minimal requests for the New Construction Additional Grant for Replaced Facilities. This additional grant is intended to provide supplemental funding for districts desiring to replace single-story buildings with multistory buildings thereby creating more open space while increasing classroom capacity. Currently an applicant school district must increase the classroom capacity by constructing the *greater* of eight classrooms (200 pupils), or classrooms commensurate with 20 percent of the existing pupil capacity of the site based upon State loading standards, and provide a cost benefit analysis which determines that the cost of demolition and construction of a new multistory building on the same site is less than the total cost of providing a new school facility, including land on a new site for the additional number of pupils housed.

Board members expressed their concerns about the current calculation for determining the pupil capacity increase which requires the greater of 200 pupils or 20 percent of the existing pupil capacity, having cited this as a possible reason for the current lack of participation for this additional grant. The Board also expressed interest in districts being able to reclaim portions of an existing site for play area or physical education activities.

STAFF COMMENTS

Staff examined Regulation Section 1859.73.2(a)(2)(A) which requires 20 percent of the gross classroom capacity at the appropriate State loading standard. Districts have indicated that this requirement results in an excessive increase in classroom capacity on an already impacted site. Staff believes this requirement may be one of the reasons for such limited participation in this additional grant. Through examination of several random school sites, Staff concluded that the 20 percent calculation should be revised to use only the classroom capacity in single-story permanent buildings. This revision should provide a more manageable required increase in capacity, thereby facilitating increased participation in this additional grant. Staff recommends that the required minimum threshold of 200 pupils or eight classrooms be maintained, ensuring that the financial interests of the State are protected. Projects smaller than the required minimum are more appropriately funded through the existing SFP new construction program.

Although the law requires districts to maximize the increase in the pupil capacity of the site, the intent of this regulation was not to necessarily require an increase in the enrollment, but to adequately and efficiently house the pupils currently enrolled on a site that is already overcrowded. The replacement of single-story facilities with a multistory facility may allow school districts to relieve this overcrowding and reclaim portions of a site for play area or physical education activities.

STAFF COMMENTS (cont.)

The proposed regulatory changes were agreed upon at the May 5, 2006 meeting of the SAB Implementation Committee.

RECOMMENDATIONS

1. Adopt the proposed amendments to Regulation Section 1859.73.2(a)(2)(A) as shown in the Attachment.
2. Authorize the Office of Public School Construction to file these regulations with the OAL.

BOARD ACTION

In considering this item, the Board approved staff's recommendations. In addition, the Board requested clarifying language to Regulation Section 1859.73.2(a)(5) to allow portables included in the existing building capacity to be replaced within this program.

ATTACHMENT

PROPOSED AMENDMENTS TO THE SCHOOL FACILITY PROGRAM REGULATIONS State Allocation Board Meeting, May 24, 2006

Amend Section 1859.73.2. as follows:

Section 1859.73.2. New Construction Additional Grant for Replaced Facilities.

- (a) In addition to any other funding authorized by these Regulations, the Board shall provide funding for the amount(s) in (b) below for the replacement cost of single-story building(s) that are demolished at a school and replaced with multistory building(s) in order to increase pupil capacity of that school if all the following conditions are met:
- (1) The site size as determined by the CDE for the existing capacity of the school is less than 75 percent of the recommended CDE site size.
 - (2) The pupil capacity of the school must be increased by at least the greater of (A) or (B) below:
 - (A) Twenty percent of the existing permanent single-story pupil capacity (before replacement) of the school. Existing permanent single-story pupil capacity shall be determined by multiplying classrooms contained within single-story permanent buildings intended for grades kindergarten through six by 25, classrooms intended for grades seven through 12 by 27, classrooms intended for Non-Severely Disabled Individuals with Exceptional Needs by 13 and classrooms intended for Severely Disabled Individuals with Exceptional Needs by nine. Classrooms shall not include any classrooms reduced from the Gross Classroom Inventory pursuant to Section 1859.32.
 - (B) 200 pupils.
 - (3) The sum of (A) and (B) below is less than the sum of (E) and (F) below:
 - (A) Determine the estimated cost of demolition of the single-story building(s) to be replaced. The cost estimate shall be subject to review by the OPSC for conformance with the Saylor Current Cost Publication.
 - (B) Multiply the total square footage of the proposed multistory replacement building(s) by the Current Replacement Cost.
 - (C) Multiply the pupil capacity as determined in (a)(2) by .01775 for K-6, .021 for 7-8 and .02472 for 9-12. For purposes of this calculation, assign Severely Disabled Individuals with Exceptional Needs and Non-Severely Disabled Individuals with Exceptional Needs pupil grants requested on Form SAB 50-04 as either K-6, 7-8 or 9-12 based on the type of project selected by the district on Form SAB 50-04.
 - (D) Determine the average value of land per acre as follows:
 1. Previous actual site acquisition costs within the district's boundaries. If unable to reference prior OPSC-reviewed and approved projects at the time of application submittal, the district should submit documentation for review that complies with Section 1859.74.
 2. Applications submitted with a separate certification letter, signed by the authorized district representative, certifying there are no site acquisitions as required in 1. above, must use one of the following calculation methods:
 - a. A complete appraisal or a preliminary appraisal of property in the General Location of the school site made or updated within six months from the Approved Application submittal date to the OPSC, using the guidelines outlined in Section 1859.74.1. The preliminary appraisal may be made without access to the property.
 - b. The Median Cost of an acre of land in the General Location of the school site using historical information from the General Location. Historical information that may be considered to determine land cost shall include prior real estate sales consummated and documented by the county recorder or pending real estate sales documented by a title insurance company's escrow instructions. For purposes of historical information, include all real estate sales consummated and documented by the county recorder for a minimum of six months and a maximum of up to two years prior to the date the Approved Application was submitted to the OPSC. Relocation expenses, for this method, will be calculated based upon OPSC historical data.
 - (E) Multiply the sums of the products determined in (C) above by the average value of land per acre determined in (D) above.
 - (F) Multiply the square footage of the single-story building(s) to be replaced by the Current Replacement Cost, then subtract this product from the amount determined in (a)(3)(B) above.
 - (4) The CDE has determined that the replacement of the single-story building(s) on the existing site with multistory building(s) would be the best available alternative and will not create a school with an inappropriate number of pupils in relation to the size of the site.

- (5) The single-story building(s) to be replaced on the existing site may not be leased facilities and/or classrooms excluded pursuant to Education Code Section 17071.30(b). Portable classrooms that were included in the classroom capacity as identified on Line 1, Part III, of the Form SAB 50-02, may be replaced.
- (6) With the exception of portables acquired with Class Size Reduction funds, the single-story building(s) to be replaced on the site may not have been funded for either new construction or modernization with funds from Proposition 1A or subsequent SFP bonds.
- (b) If the criteria in (a) are met, the additional funding is determined by multiplying \$173.30 per square foot for Toilet Facilities and by \$96.30 per square foot for all other facilities included in the single-story building(s) to be replaced adjusted for the following:
 - (1) The amounts shall be adjusted in the manner prescribed in Section 1859.71.
 - (2) The amounts shall be increased by the percentage authorized in Section 1859.73, as appropriate.

The district is eligible for site development in accordance with Section 1859.76 including the demolition of the replacement structures as part of the SFP project.

Note: Authority cited: Section 17070.35, Education Code.

Reference: Sections 17071.46 and 17074.56, Education Code.

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, May 24, 2006

REPAYMENT SCHEDULE FOR AMOUNTS DUE TO THE STATE

PURPOSE OF REPORT

To request:

1. Adoption of amendments to the School Facility Program (SFP) Regulations to establish criteria for repaying amounts due to the State.
2. Authorization to file the proposed regulations on an emergency basis with the Office of Administrative Law (OAL).

DESCRIPTION

Assembly Bill 1200, Chapter 1213, Statutes of 1991 specified that each school district's budget must address its ability to meet its financial commitments and demonstrate fiscal solvency and accountability. In view of this, the State has set minimum funding reserves that are monitored by county offices of education (COE). These district reserves are generally used as a barometer of a given district's fiscal solvency. Occasionally, districts that are not maintaining appropriate funding reserves and are unable to meet their short-term financial obligations are placed on a list maintained by the California Department of Education (CDE).

As a result of financial closeout audits on certain SFP projects, refunds are occasionally due to the State in amounts that could cause a district to be in jeopardy of becoming financially insolvent and becoming subject to the requirements of AB 1200, Chapter 1213, Statutes of 1991. Ultimately, districts that fall under the AB 1200 provisions may be placed on the CDE List of Negative and Qualified Certifications. Consequently, specific districts have requested that they be allowed to repay the amounts due over a longer period of time rather than a one-time lump sum payment or deduction from their school fund apportionment.

AUTHORITY

Education Code Section 17076.10(c) authorizes the Office of Public School Construction (OPSC) to initiate collection procedures if a school district fails to make the required payment within 60 days. The OPSC shall notify the Controller and the school district in writing, and the Controller shall deduct an amount equal to the amount received by the school district from the school district's next principal apportionment or apportionments of state funds to the school district, other than basic aid apportionments required by Section 6 of Article IX of the California Constitution.

Education Code Section 17070.51(b)(1) authorizes the Board to approve a repayment schedule of no more than five years when the Board makes a finding that a material inaccuracy occurred. The school district shall repay to the Board an amount proportionate to the additional funding received as a result of the material inaccuracy including interest at the rate paid on moneys in the Pooled Money Investment Account or at the highest rate of interest for the most recent issue of state general obligation bonds as established pursuant to Chapter 4 (commencing with Section 16720), of Part 3 of Division 4 of Title 2 of the Government Code, whichever is greater.

AB 1200, Chapter 1213 provides fiscal oversight responsibilities to COE's and mandates that all school districts maintain a special reserve account that has a minimum balance of three percent of their General Fund for future economic uncertainties. Districts that fail to maintain this amount may be placed on a CDE List of Negative and Qualified Certifications list.

STAFF COMMENTS

Absent a material inaccuracy finding from the State Allocation Board (SAB), there is currently no regulation addressing the SFP repayment of amounts due to the State over a period of time. It is not the objective of Staff to cause districts to experience financial insolvency due to a financial closeout audit; therefore, a policy needs to be established to allow districts to repay refunds due to the State over a period of time, under specific circumstances.

Although Education Code Section 17076.10(c) is very prescriptive on requiring payment within 60 days, this law section is silent with regard to a multiple repayment schedule. Staff believes that in certain situations where districts are in financial distress, or currently in financial hardship, the districts should be afforded a repayment schedule of up to five years in lieu of a lump sum payment. This change will facilitate repayment without placing the districts in eminent financial harm. Staff believes that current law would not preclude a multiple repayment schedule provided the district makes payments within 60 days of each scheduled due date. If the district is unable to make the scheduled payment, the district will be subject to collection procedures.

There are currently several school districts that owe substantial sums of money to the State that will potentially invoke the provisions of AB 1200 if the amounts due are repaid in one lump sum payment. Also, these school districts do not fall under the material inaccuracy provisions that would provide for a longer repayment period. Staff is recommending that the proposed regulations be adopted on an emergency basis to alleviate the potential for these districts being placed on a fiscal watch list thereby hindering the districts ability to provide necessary facilities to all their students.

RECOMMENDATIONS

1. Adopt the proposed regulations as shown on the Attachment and begin the regulatory process.
2. Authorize the OPSC to file these regulations on an emergency basis with the OAL.

This Item was approved by the State Allocation Board on May 24, 2006.

ATTACHMENT

PROPOSED AMENDMENTS TO THE
SCHOOL FACILITY PROGRAM REGULATIONS
State Allocation Board Meeting, May 24, 2006

Amend Section 1859.106 as follows:

...

Should the OPSC conduct an audit of the district certifications or the expenditures for the project and make a finding that some or all of the expenditures were not made in accordance with the provisions of Education Code Section 17072.35 for new construction projects, Section 1859.120 for Joint-Use Projects, Section 1859.140 for Critically Overcrowded School projects, Section 1859.160 for Charter School projects, Education Code Section 17074.25 and Section 1859.79.2 for modernization projects, and Education Code Sections 17072.13 and 17072.14 for projects with additional costs imposed by the DTSC, the OPSC shall recommend to the Board that the apportionment be adjusted based on the audit findings. ~~Upon adoption of the audit findings by the Board, the district must submit a warrant for any amount identified as being owed within 60 days of the Board action. If this does not occur, the OPSC shall initiate collection procedures from the School Fund Apportionment as outlined in Education Code Section 17076.10(c).~~

Should the CDE make a finding that a project did not meet the standards that were adopted by the CDE pursuant to Education Code Section 17251 (b) and (c) when the district had self-certified that the project met those standards pursuant to Education Code Section 17070.50 (b), the Board may request that the CDE make a recommendation that the apportionment for the project be adjusted based on the CDE finding. Any adjustment in the apportionment shall be based on the percentage of space in the project that the CDE determined did not meet those standards. ~~Upon adoption of the finding by the Board, the district must submit a warrant for any amount identified as being owed within 60 days of the Board action. If this does not occur, the OPSC shall initiate collection procedures from the School Fund Apportionment as outlined in Education Code Section 17076.10 (c).~~

Note: Authority cited: Section 17070.35, Education Code.

Reference: Sections 17070.35, 17070.50, 17072.13, 17072.14, 17072.18, 17072.35, 17074.25, 17076.10, 17077.40, 17078.52 and 17251, Education Code.

Adopt Regulation Section 1859.106.1 as follows:

Section 1859.106.1. Repayment of State Funds.

Upon adoption of the audit findings by the Board, the district must submit a warrant within 60 days of the Board action for any amount identified as being owed. If this does not occur, the OPSC shall initiate collection procedures from the district's next principal apportionment or apportionments of State funds to the district, other than basic aid apportionments, as outlined in Education Code Section 17076.10(c).

A district may request a repayment schedule of up to five years, in equal annual installments or on a schedule as otherwise approved by the Board, if the total repayment of State funds within 60 days of the Board action could cause the district to fall into fiscal distress. Districts requesting a repayment schedule must meet one of the following criteria:

- (a) The district is listed on the current CDE List of Negative and Qualified Certifications of School Districts and County Offices of Education.
- (b) The district was listed on the CDE List of Negative and Qualified Certifications of School Districts and County Offices of Education within the three fiscal years immediately preceding the Board action.
- (c) The amount due to the State for one or more projects would cause the district to be listed on the CDE List of Negative and Qualified Certifications of School Districts and County Offices of Education current report. The COE must submit both of the following documents to the OPSC on behalf of the district for consideration:
 - (1) A letter substantiating that the repayment will place the district on the CDE list.
 - (2) A CDE certification of negative financial condition.

The repayment schedule shall include interest at the same rate as that charged by the Pooled Money Investment Board 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.

Note: Authority cited: Section 17070.35, Education Code.

Reference: Sections 17070.35 and 17076.10(c), Education Code.

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, May 24, 2006

SCHOOL FACILITIES NEEDS ASSESSMENT GRANT PROGRAM REPORT

PURPOSE OF REPORT

To provide a progress report regarding the School Facilities Needs Assessment Grant Program (Program).

BACKGROUND

At the February 2006 State Allocation Board meeting, the Board requested that Staff report back in three months to provide an update on any outstanding Needs Assessment Reports (Reports).

DESCRIPTION

Senate Bill (SB) 6 allocated \$25 million for local educational agencies (LEA) with eligible schools to perform a one-time assessment of school facility needs, which were to be submitted to the Office of Public School Construction (OPSC) no later than January 1, 2006. A total of 2,050 Reports were deemed eligible statewide, based on certifications by the LEAs.

AUTHORITY

SB 6, Chapter 899, Statutes of 2004 (Alpert), as a part of the settlement agreement in the case of Williams vs. California, established the School Facilities Needs Assessment Grant Program.

SB 512, Chapter 577, Statutes of 2005 (Committee on Education), removed the county-operated schools from the list of schools required to complete the assessment as published by the California Department of Education.

Assembly Bill (AB) 831, Chapter 118, Statutes of 2005 (Committee on Education), revised the criteria for identifying schools ranked in deciles one to three on the 2003 Academic Performance Index.

STAFF COMMENTS

The OPSC has received 2,008 reports of the required 2,050. Of the 42 reports that remain outstanding, LEAs have indicated that nine Reports are in progress and 33 Reports are yet to be started. The Attachment lists the LEAs that have not submitted a Report for eligible schools. Recently, as well as throughout the process, Staff performed additional outreach and contacted all of the LEAs with Reports outstanding. Additionally, Staff sent a reminder letter to these LEAs in order to provide the necessary assistance to ensure compliance. As a result of this outreach, three LEAs responsible for 35 Reports have indicated that they will submit the assessments within 30 days of this report.

The full details of the Reports submitted to date are currently available for viewing on the OPSC Web site. Each Report contains details of the facility inventory, useful life of major building systems, five-year costs to maintain functionality, and necessary repairs.

RECOMMENDATION

Accept this report.

This Item was approved by the State Allocation Board on May 24, 2006.