

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, May 23, 2007

HIGH PERFORMANCE SCHOOLS INCENTIVE GRANT

PURPOSE OF REPORT

To present a supplemental report regarding the high performance schools incentive grant proposal made by Global Green, USA and to further define enhanced commissioning and the California Climate Action Registry (CCAR).

BACKGROUND

This item was previously presented to the State Allocation Board (SAB) at the February meeting. However, the Board requested Staff to bring this item back to a future SAB meeting so that relevant follow-up issues could be explored. The Board also requested clarification on what was meant by the terms "Enhanced Commissioning" and "Edible Gardens," which was read into the record at the February SAB meeting. The Board further requested Staff to research additional information concerning the CCAR, in light of the Governor's recent meeting related to the registry for global warming, as well as Enhanced Commissioning.

DESCRIPTION

The High Performance Grant (HPG)

Staff presented two options to the SAB for its consideration at the September 2006 meeting to determine the high performance schools incentive grant under the School Facility Program (SFP). The Board approved regulations providing an additional percentage increase to the base grant, based on a High Performance Rating Criteria (HPRC) that is intended to cover all the upfront costs of designing, purchasing, and constructing high performance measures in schools. The upfront costs used to determine the proposed grant are partially based on data analyzed by the California Energy Commission and the Division of the State Architect (DSA).

Global Green, USA Proposal

Global Green, USA proposed an additional incentive grant of \$50,000 above the approved funding for meeting any one of seven specific high performance criteria. The \$50,000 grant would be awarded in each of the following categories:

1. Superior indoor air quality
2. Superior day lighting
3. Excellent acoustical performance
4. Renewable energy installation
5. Enhanced commissioning
6. Edible gardens
7. Participation in the CCAR

A district could therefore conceivably meet all seven high performance criteria and receive an additional \$350,000 in incentive grants. Global Green, USA contends that the proposal would cover some of the cost of items that may impact at least two of the three following criteria: 1) improved student performance; 2) reduction in long-term operating costs; and 3) enhanced environmental benefits.

DESCRIPTION (cont.)

Staff formed a high performance work group to discuss the Global Green, USA incentives presented to the SAB for consideration. It was the intention of the high performance work group to have the entire upfront costs covered by the district and the State. The majority of the work group was concerned that the first five categories in the Global Green, USA proposal already earn HPRC points. Adding the \$50,000 supplemental increase would provide additional funding for costs that are already covered by the current incentive grant.

Staff consulted with legal counsel to determine if the legislation would allow the additional \$50,000 incentive to build superior high performing green schools. Counsel opined that the Board approved regulations provide an incentive and meet the guidelines of the current legislation. While there is nothing in the legislation that would prohibit the additional incentive of \$50,000 for each of the seven specific categories proposed by Global Green, USA; this proposal does not appear to be necessary because based on the best cost data available at this time, the entire costs are included in the existing grant as approved by the SAB.

Staff and the DSA previously proposed to monitor data received from districts requesting the high performance schools incentive grant. The data collected from the participants will be analyzed to determine the following:

- The rate of participation from districts that include high performance as a part of a project.
- Whether the current percentage increase to the base grant covers the upfront costs of designing, purchasing, and constructing high performance measures in schools.
- If an adjustment to the high performance schools incentive grant is needed.

STAFF COMMENTS

The following is provided in response to the Board's request for additional information on Enhanced Commissioning and CCAR.

Category 5 – Enhanced Commissioning

Enhanced Commissioning is an extension of Fundamental Commissioning. Fundamental Commissioning is in essence a "constructability review" to ensure the building and project's energy related systems are installed, calibrated and perform as intended.

Enhanced Commissioning not only entails all aspects of Fundamental Commissioning, it improves building operations and energy efficiency as well as reduces construction and long-term operating costs. Typically, this will include preparation of building operations manuals and occupant training not performed in the Fundamental Commissioning. The Commissioning Authority for Enhanced Commissioning must be an independent third party industry professional or an owner's employee. A key activity for the designee is to review the building operation with tenants and maintenance and operation staff within ten months after substantial completion and include a plan to resolve outstanding commissioning related issues.

Category 7 - Participation in the California Climate Action Registry

Building on the existing efforts in the individual states, the Governors of the five states committing to the Western Regional Climate Action Initiative in February agree to participate in a multi-state registry to track and manage greenhouse gas (GHG) emission in their regions.

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STAFF COMMENTS (cont.)

The California Climate Action Registry was established by statute in 2002 as a non-profit voluntary registry for reporting GHG emissions. The purpose of the Registry is to help companies and organizations with operations in the State to establish GHG emissions baselines against which any future GHG emission reduction requirement may be applied. For the purposes of the Registry, GHG's are the six gases identified in the Kyoto Protocol: Carbon Dioxide (CO₂), Nitrous Oxide (N₂O), Methane (CH₄), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), and Sulphur Hexafluoride (SF₆).

Participants agree to register the GHG emissions for all operations in California and are encouraged to report nationwide. Gross emission and efficiency metrics will be recorded. The Registry requires the reporting of CO₂ emissions for the first three years of participation, although participants are encouraged to report the remaining five GHGs covered in the Kyoto protocol. All six gases are to be reported after three years of Registry participation. The Registry encourages voluntary actions to increase energy efficiency and decrease GHG emissions. Participants record their GHG emission inventory and the State of California in turn will offer its best efforts to ensure that participants receive appropriate consideration for early action in the event of any future state, federal or international GHG regulatory scheme.

There is an annual fee structured for non-profit, government and academic organizations based upon the agency budget which ranges from \$400 to \$4,000 (budgets over \$2 billion). There are 232 Registry members, including one kindergarten through twelfth grade school district, Natomas Unified School District, and eleven universities. The Natomas Unified School District reports their annual administrative fee for the CCAR is \$750, and does not anticipate the need to hire additional staff due to CCAR participation.

While Staff supports these concepts and encourages their use, Staff does not believe *additional* financial incentives are warranted through the SFP. The cost would be either covered in the SFP high performance schools incentive grant already adopted by the SAB or would be deemed operational costs that should not receive facility funding. Staff has been working with the Global Green, USA, Department of Health Services and California Energy Commission to include links on the OPSC Web site to raise school district awareness of these enhanced environmental benefits.

RECOMMENDATION

Accept this report.

This Item was approved by the State Allocation Board on May 23, 2007.

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, May 23, 2007

LABOR COMPLIANCE PROGRAM GRANTS

PURPOSE OF REPORT

To present for the Board's consideration regulations to allow Labor Compliance Program (LCP) grant funding for districts that voluntarily initiate and enforce a LCP and to adjust the LCP grant.

BACKGROUND

Labor Code Section 1771.7 requires school districts that choose to use funds derived from either the Kindergarten-University Public Education Facilities Bond Act of 2002 or 2004 (Propositions 47 and 55, respectively) to initiate and enforce a LCP. However, school districts with projects apportioned from the Kindergarten-University Public Education Facilities Bond Act of 2006 (Proposition 1D) are not required to comply with this law. As a result, at the February 2007 State Allocation Board (SAB) meeting, the Board requested Staff to research if a district voluntarily implements a LCP on a project for which such a program is no longer mandated by statute, if it is permissible for the SAB to continue to provide the grant for the purpose of reimbursing the district for the costs of voluntarily initiating and enforcing a LCP.

At the March 2007 SAB meeting, Staff reported that SAB Legal Counsel opined that while the Labor Code Section 1771.7(a) requires school districts to initiate and enforce a LCP on those projects funded under Propositions 47 and 55 and not Proposition 1D, subsection (e) of the aforementioned statute was sufficiently broad enough that it can be read to authorize the SAB to continue to provide the LCP grant for those districts that voluntarily initiate and enforce a LCP. SAB Legal Counsel cited the legislative intent of Labor Code 1771.7 was to ensure that every school district in the State pay the prevailing rate of per diem wages to workers employed on public works projects undertaken by districts. As a result, the Legislature provided the Board with the ability to increase the State's share of increased costs to accommodate labor compliance programs. Since labor compliance programs may continue to be voluntarily implemented by school districts, the Board is simply furthering the legislative intent of Labor Code 1771.7 by providing the grant augmentation to help ensure the prevailing wage rates are paid on public works projects.

In addition, Staff provided the Board an update to the March 2006 report regarding the adequacy of LCP apportionments based on 245 project audits. The report contained the following information:

- Through January 2007, the SAB has provided LCP grants for 3,342 projects.
- The 245 project audits represent 7.3 percent of all projects that have received LCP grants and 100 percent of those projects closed out to date.
- New Construction LCP apportionments have been under spent by an average of 40.9 percent.
- Modernization LCP apportionments have been under spent by 63.7 percent.

As a result of the discussion on these two issues, the Board requested Staff to return at a future meeting with regulations to provide the LCP grant augmentation for those districts that voluntarily initiate and enforce a LCP for projects apportioned from Proposition 1D and to adjust the LCP grant.

AUTHORITY

Labor Code 1771.7 states in part that the SAB shall increase per-pupil grant amounts to accommodate the State's share of the costs of initiating and enforcing a LCP. The law provides that a School Facility

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AUTHORITY (cont.)

Program (SFP) project is eligible for an increase in the per-pupil grant amount if both of the following conditions are met:

- The project was or will be funded from the proceeds of Propositions 47 or 55.
- The Notice to Proceed for the initial contract for construction of the project was issued on or after April 1, 2003.

Labor Code 1771.7 also provides an exception to the full and final apportionment provisions in the law to accommodate LCP costs on projects that have already received their full apportionment amount without the LCP funding but were eligible for the funding. Additionally, this statute gives the SAB the authority to provide grant augmentations to ensure prevailing wage rates are paid on public works projects.

STAFF COMMENTS

Providing the LCP Grant on a Voluntary Basis

At the May 4, 2007 Implementation Committee meeting, based on the Board's request, Staff proposed allowing those projects apportioned with funds from other than Propositions 47 and 55 to be eligible for LCP funds provided the district voluntarily initiates and enforces a LCP. A member of the audience involved in the Proposition 1D bond discussions questioned the recommendation and the SAB Legal Counsel's February 2007 opinion stating that the SAB Legal Counsel's basis for opining that the SAB can provide the LCP grant on a voluntary basis is hinged on the legislative intent of Assembly Bill 1506 which added Labor Code 1771.7. However, it was this audience member's belief that the legislative intent of Proposition 1D was more recent and therefore more germane to the issue as the Legislature chose not to require the initiation and enforcement of a LCP for projects apportioned with these bond funds. The same member of the audience also called attention to the fact that existing law provides a SFP project is eligible for an increase in the per-pupil grant if "both" of the conditions noted above are met. Projects funded out of Proposition 1D do not meet the first condition and, thus, are not eligible.

Staff consulted with the SAB's Legal Counsel regarding the audience member's concerns. The SAB Legal Counsel opined that Labor Code 1771.7 is not absolute and that while Labor Code 1771.7 requires that districts with projects apportioned from Propositions 47 and 55 initiate and enforce a LCP for which the Board will provide a grant augmentation, the intent of the legislation was to ensure prevailing wage rates are enforced on public work projects constructed by school districts. While it is true the Legislature did not require the initiation and enforcement of a LCP in Proposition 1D, it did not prohibit it. If a district's project is funded exclusively with Proposition 1D bond funds, the Board does have the discretion to make a policy decision to allow the continual funding of a LCP on a voluntary basis; however, the SAB Legal Counsel did caution that such a decision may be vulnerable to a legal challenge. The SAB Legal Counsel further opined that those districts that have projects funded in part with Proposition 47 and/or 55 bond funds will be required to initiate and enforce a LCP.

Should the Board request Staff to provide LCP funding on a voluntary basis, Staff recommends that provisions be made for impacted districts to access this additional funding effective upon the approval of the regulations by the Office of Administrative Law. Since Labor Code 1771.7(e) provides an exemption to the full and final provisions of Education Code 17070.63, Staff intends to automatically include the appropriate LCP funding for projects that indicated LCP compliance for those applications previously funded with Proposition 1D funds. Staff will also notify all other districts individually of the opportunity to include a request for LCP grants where a request was not made on the funding application, but where that district voluntarily initiated and enforced an LCP.

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STAFF COMMENTS (cont.)

LCP Grant Amounts

At the same Implementation Committee meeting, Staff introduced a proposed reduction to the new construction and modernization LCP grant. For new construction projects, the proposed reduction is limited to those districts with projects with a total project cost, less site acquisition costs, of one million dollars or less as Staff believes there is sufficient data to justify the reduction. Under current regulations, a district receives a LCP apportionment of \$16,000 for any project where the cost is one million dollars or less, less site acquisition costs. So a district with a project that will cost one million dollars and a district with a project that will cost \$50,000 will both receive a \$16,000 LCP grant. Under the proposed regulations, districts with projects in this cost range will receive a LCP apportionment of 0.65 percent of the total project cost, less site acquisition costs. Staff recommends this change based on data which indicates districts are expending only 16.10 percent of the LCP funds for projects totaling one million dollars or less. If a project exceeds one million dollars, no changes are being recommended as there is insufficient data to provide a defensible adjustment to the existing LCP grant.

For modernization projects, Staff is proposing a 25 percent reduction in the LCP grant for all projects regardless of the total project costs. While the data supports an even further reduction in the LCP apportionment for most of the projects audited, Staff believes a 25 percent reduction is conservative and reasonable at this time until more data can be gathered over the forthcoming year.

Members of the Committee and audience expressed concern with Staff's recommendations. Many cited that the data pool was too small to justify any adjustment to the LCP grant. While the data used for this analysis represented 7.3 percent of all projects apportioned with LCP funds, the 245 projects represented 100 percent of all projects audited. Some audience members also cited that it is common for districts to not report or under-report LCP expenditures explaining that with larger projects it was difficult for the district to identify LCP costs, especially if force account labor was used. Others cited that multiple projects are often bid together as a means of economies of scale, therefore making it difficult to extract accurate LCP costs as the common practice was to take the LCP costs and divide them equally amongst the contracted projects. While this method may be convenient for reporting purposes, it does not represent the actual LCP costs for each of the projects reported.

There was limited LCP cost data available during the initial implementation of the program in July 2003. Staff, with the assistance of the Implementation Committee, therefore provided a grant augmentation that was based on the best available cost data at the time. In turn, it was agreed that the amount of the per pupil grant for LCP would be revisited based on actual costs incurred by districts. The districts were subsequently asked to account for all LCP funds expended for each project apportioned. If a district combined several projects for the purposes of economies of scale or used force account labor, the district was responsible for tracking and reporting complete LCP expenditures appropriately for audit purposes. In fact, pursuant to SFP Regulation Section 1859.106, *Program Accountability Expenditure Audit*, districts are required to maintain a record of the complete LCP costs incurred:

"Districts shall be required to maintain all appropriate records that support all district certifications and expenditures for all costs associated with SFP, Charter School, and Joint-Use projects for a period of not less than four years from the date the notice of completion is filed for the project in order to allow other agencies, including, without limitation, the Bureau of State Audits and the State Controller to perform their audit responsibilities."

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STAFF COMMENTS (cont.)

LCP Grant Amounts (cont.)

Furthermore, in the SFP Expenditure Audit Guidebook, districts are instructed to:

"...provide a detailed listing of project expenditures that reflect all expenditures for the project by warrant numbers, warrant dates, warrant payees, warrant amounts, and specific descriptions of the expenditures, as required on the Form SAB 50-06. The description of expenditures must provide sufficient detail for the audit staff to verify all project expenditures are applicable to the project and that the expenditures have been recorded in the proper cost categories. In addition, the district must report the eligible expenditures for the project that encompass the State and district matching share. Also, if the district augmented the project beyond the State and district share, please include these costs on the same report, but identify them as being solely district funded."

Thus, even if the LCP grants are not adjusted today based on the assertions of the stakeholders and more data is collected over the course of the next year, it is likely Staff will continue to receive incorrect LCP cost expenditure data from the districts resulting in the same conundrum. Consequently based on the expenditure data reported in the 245 projects audited thus far, it appears the SFP is over funding the LCP grant; therefore, Staff recommends a reduction in the State's share of the LCP grant for new construction and modernization projects. In an effort to ensure the LCP grant augmentation remains sufficient to cover the costs of initiating and enforcing a LCP, Staff will conduct another analysis in one year to ensure the adequacy of the LCP grant.

Additional non-substantive SFP Regulation changes included in this item:

The *Application for Funding* (Form SAB 50-04) includes the addition of a certification that the district will comply with all laws pertaining to the construction of its facilities. This certification was inadvertently omitted in a prior regulatory revision.

The *Fund Release Authorization* (Form SAB 50-05) is being revised to require districts to provide:

- a copy of voter approved bond language when a district's joint-use partners' financial contribution is provided through local bond proceeds.
- a certification that the district's joint-use partner's financial contribution has been provided by a local bond specifically for the joint-use purpose, if applicable.
- the earliest issue date of the Notice to Proceed and well as the date the contract was signed for New Construction, Modernization and Joint-Use projects.

RECOMMENDATIONS

1. Adopt the proposed amendments to the regulations as shown on the Attachment and request Staff to begin the regulatory process to reduce the LCP grant for both new construction and modernization projects, and if the Board wishes, to provide the LCP grant to districts that voluntarily initiate and enforce a LCP.
2. Request Staff return in one year to provide an update on the adequacy of the LCP grants.

ATTACHMENT

Article 8. New Construction and Modernization Grant Determinations

Section 1859.71.4. New Construction Pupil Grant Increase for Labor Compliance Program.

- (a) After determining all other funding authorized by these Regulations, the Board shall increase the per-unhoused-pupil grant amount by 50 percent of the following calculation for any project for which the district is required under Labor Code Section 1771.7(a) and (b) to initiate and enforce a LCP and for any project for which the district voluntarily initiates and enforces a LCP:
 - (1) Using the chart in (b) of this Section, determine the total amount of funding to be provided for the increased costs of a new construction project due to the initiation and enforcement of a LCP.
 - (2) Divide the amount determined in subsection (a)(1) by the total number of pupils, or by one if no pupils are assigned, in the approved application.
- (b) The funding provided for a new construction project to initiate and enforce a LCP shall be calculated on the total project cost, exclusive of site acquisition costs, as follows:

\$16,000 <u>0.65 percent of For the first costs for projects less than \$1 million or any part thereof, plus</u>	<u>or</u>
<u>\$16,000 for the first \$1 million for projects equal to or more than \$1 million, plus</u>	
1.6 percent	Of the next \$1 million or any part thereof, plus
0.25 percent	Of the next \$1 million or any part thereof, plus
0.15 percent	Of the next \$1 million or any part thereof, plus
0.32 percent	Of the next \$2 million or any part thereof, plus
0.31 percent	Of the next \$2 million or any part thereof, plus
0.46 percent	Of the next \$5 million or any part thereof, plus
0.44 percent	Of the next \$5 million or any part thereof, plus
0.42 percent	Of the next \$30 million or any part thereof, plus
0.4 percent	Of any remaining portion

Note: Authority cited: Section 17070.35, Education Code.

Reference: Section 17072.10, Education Code.

...

Section 1859.78.1. Modernization Pupil Grant Increase for Labor Compliance Program.

- (a) After determining all other funding authorized by these Regulations, the Board shall increase the per-pupil grant amount by the following calculation, less the district matching share required in Section 1859.79, for any project for which the district is required under Labor Code Section 1771.7(a) and (b) to initiate and enforce a LCP and for any project for which the district voluntarily initiates and enforces a LCP:
 - (1) Using the chart in (b) of this Section ~~1859.71.4(b)~~, determine the total amount of funding to be provided for the increased costs of a modernization project due to the initiation and enforcement of a LCP.
 - (2) Divide the amount determined in subsection (a)(1) by the total number of pupils, or by one if no pupils are assigned, in the approved application.
- (b) The funding provided for a modernization project to initiate and enforce a LCP shall be calculated on the total project cost as follows:

<u>\$12,000</u>	<u>For the first \$1 million or any part thereof, plus</u>
<u>1.2 percent</u>	<u>Of the next \$1 million or any part thereof, plus</u>
<u>0.18 percent</u>	<u>Of the next \$1 million or any part thereof, plus</u>
<u>0.11 percent</u>	<u>Of the next \$1 million or any part thereof, plus</u>
<u>0.24 percent</u>	<u>Of the next \$2 million or any part thereof, plus</u>
<u>0.23 percent</u>	<u>Of the next \$2 million or any part thereof, plus</u>
<u>0.35 percent</u>	<u>Of the next \$5 million or any part thereof, plus</u>
<u>0.33 percent</u>	<u>Of the next \$5 million or any part thereof, plus</u>
<u>0.32 percent</u>	<u>Of the next \$30 million or any part thereof, plus</u>
<u>0.3 percent</u>	<u>Of any remaining portion</u>

Note: Authority cited: Section 17070.35, Education Code.

Reference: Section 17074.10, Education Code

APPLICATION FOR FUNDING SCHOOL FACILITY PROGRAM

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 is a request for funding under the Small High School Program, pursuant to Regulation Section 1859.93.2, the district must also provide a CDE Small High School academic reform strategy approval.
- 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.
- If the request includes funding for accessibility and fire code requirements pursuant to Section 1859.83(f), the DSA approved list of the minimum accessibility work required and a detailed cost estimate for the work in the plans.
- Cost estimate of the proposed site development necessary for the Reconfiguration of an existing high school.
- 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.

APPLICATION FOR FUNDING SCHOOL FACILITY PROGRAM

For a list of the documents that must be submitted in order 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

- 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.

- 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.
- If this request includes pupil grants generated by an Alternative Enrollment Projection Method, enter the number of pupils by grade level.
- Indicate if this request is for funding of a 6–8 school and/or an Alternative Education School.
- 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.
- 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:

APPLICATION FOR FUNDING SCHOOL FACILITY PROGRAM

- 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. 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. If the district is submitting a funding request for new construction under the Small High School Program, enter the 60 percent values.

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. If the district is submitting a funding request for new construction under the Small High School Program, enter the 60 percent values. 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.

Check the box if the district is requesting an Additional Grant for General Site Development pursuant to Section 1859.76.

- 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 if the district is requesting a Separate Apportionment for Reconfiguration pursuant to Section 1859.78.9. Enter the full value of the Reconfiguration request, not to exceed an aggregate of \$500,000 for all high school entities created.
- e. 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 accessibility requirements are allowed only if required by the Division of the State Architect (DSA). At the district's option, the district may request three percent of the modernization base grant or enter 60 percent of the amount calculated pursuant to Regulation Section 1859.83(f). Attach a copy of the DSA approved list that shows the minimum work necessary for accessibility requirements.

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

APPLICATION FOR FUNDING SCHOOL FACILITY PROGRAM

SAB 50-04 (REV 05/07 04/07)

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

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 by the OPSC based on information reported by the district on this form.

- Report all additional classroom(s) provided after the district submitted its request for determination of its new construction baseline eligibility for the grades shown, or indicate N/A if there are none. Refer to Section 1859.51(i).
- 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.
- If not, indicate whether the district will voluntarily initiate and enforce a Labor Compliance Program.

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.

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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.

Table with 3 columns: SCHOOL DISTRICT, COUNTY, DISTRICT REPRESENTATIVE'S E-MAIL ADDRESS, APPLICATION NUMBER, PROJECT TRACKING NUMBER, HIGH SCHOOL ATTENDANCE AREA (HSAA) OR SUPER HSAA (IF APPLICABLE)

1. Type of Application—Check Only One

- Checkboxes for New Construction, Modernization, etc.

Separate Apportionment

- Checkboxes for Site Only, Design Only, Facility Hardship, etc.

2. Type of Project

- Checkboxes for Elementary School, Middle School, High School

Total Pupils Assigned:

Form for Total Pupils Assigned by grade level and severity.

b. 50 Years or Older Building Funding (Modernization Only)

Form for 50 Years or Older Building Funding details.

c. Included in 2a above, how many pupils are generated by the Alternative Enrollment Projection? (New Construction Only)

Form for Alternative Enrollment Projection details.

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. 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:

f. Facility Hardship (no pupils assigned)

3. Number of Classrooms:

Form for Number of Classrooms: Master Plan Acreage Site Size, Recommended Site Size, Existing Acres, Proposed Acres.

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)

f. Site Development

50 percent Service-Site: \$

50 percent Off-Site: \$

50 percent Utilities: \$

General Site

g. Facility Hardship Section 1859.82(a) or (b)

Toilet (sq. ft.):

Other (sq. ft.):

**APPLICATION FOR FUNDING
SCHOOL FACILITY PROGRAM**

- 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. Separate Apportionment for Reconfiguration (for Small High School Program only): \$ _____
- e. 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)]
- New School Project [Section 1859.83(c)(3)]
- 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: _____ %
- Accessibility/Fire Code
 - 3 percent of base grant; or,
 - 60 percent of minimum work \$ _____
- 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

- a. Additional Classroom(s) provided:
 - K-6: _____
 - 7-8: _____
 - 9-12: _____
 - Non-Severe: _____
 - Severe: _____
- 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

- a. Will you be required to initiate and enforce a Labor Compliance Program pursuant to Labor Code Section 1771.7 for this project? Yes No
- b. If not, indicate whether the district will voluntarily initiate a Labor Compliance Program. Yes No

18. Construction Delivery Method

- Design-Bid-Build
- Design-Build
- Developer Built
- Lease Lease-Back
- Energy Performance Contract
- This project includes or will include piggyback contract(s), as defined in Section 1859.2
- 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
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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 19 and 20, 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,
- The district will comply with all laws pertaining to the construction or modernization of its school buildings; 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,
- 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

APPLICATION FOR FUNDING SCHOOL FACILITY PROGRAM

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,
 - Pursuant to Labor Code Section 1771.7(e), if the district has or will voluntarily initiate and enforce a Labor Compliance Program, the program has been approved by the Department of Industrial Relations; 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; and
 - If this application is submitted pursuant to Section 1859.93.2, the district certifies that it has an academic reform strategy scored by the CDE, and is available at the district office for OPSC verification; and
 - If this application is submitted pursuant to Section 1859.93.2, the district certifies the enrollment at the Small High School will not exceed 500 pupils for a minimum of two complete school years after the Occupancy of the last Small High School funded, as outlined in Section 1859.104(e)(2); and
 - If this application is submitted pursuant to Section 1859.78.9, the district certifies the enrollment at the resulting Small High Schools will not exceed 500 pupils for a minimum of two complete school years after the Occupancy of the Small High Schools; and
 - If this application is submitted pursuant to Section 1859.78.9 or Section 1859.93.2, the district certifies that it will meet all reporting requirements as specified in Section 1859.104(e)(1) and/or (2).

FUND RELEASE AUTHORIZATION

SCHOOL FACILITY PROGRAM

SAB 50-05 (REV 05/07 09/06)

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.

When determining if the district has entered into binding construction contracts for 50 percent of the project please refer to the *School Facility Program Substantial Progress and Expenditure Audit Guide, Section 3 – Expenditure Audit, subsection SFP Allowable Expenditures – Construction Costs*, which is accessible on the OPSC web site at www.opsc.dgs.ca.gov.

SPECIFIC INSTRUCTIONS

- 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. Earliest issue date of the Notice to Proceed for the construction phase of the project; and,
 - b. The name of the initial contractor; and,
 - 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; **and enter**:
 - a. Earliest issue date of the Notice to Proceed for the construction phase of the project; and,
 - b. The name of the initial contractor; and,
 - c. Signature date of the initial construction contract entered into by the district for this project.

When the joint-use partners' financial contribution is provided by the district through local bond proceeds, please submit a copy of the voter approved bond language.
- 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 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.

DRAFT

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 all **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, and has issued the Notice to Proceed on _____ for that contract signed on _____.
- The district certifies that the earliest issue date of the Notice to Proceed for the construction phase is _____ for the _____ 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.

**FUND RELEASE AUTHORIZATION
SCHOOL FACILITY PROGRAM**

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
 - [has been provided by the district through a local bond approved specifically for this purpose.](#)
- 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 district certifies that the earliest issue date of the Notice to Proceed for the construction phase is _____ for the _____ contract signed on _____.](#)

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

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 or will include piggyback contract(s), as defined in Section 1859.2
- 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 [earliest](#) Notice to Proceed [issue date](#) for the construction phase of the project is [issued](#) on or after April 1, 2003; [and](#),
- [Pursuant to Labor Code Section 1771.7\(e\), if the district has voluntarily initiated and will enforce a Labor Compliance Program, the program has been approved by the Department of Industrial Relations.](#)

SIGNATURE OF DISTRICT REPRESENTATIVE	PRINT NAME	DATE
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**APPLICATION FOR JOINT-USE FUNDING
SCHOOL FACILITY PROGRAM**

SAB 50-07 (REV 05/07 01/05)

GENERAL INFORMATION

This form is used by a district to request State funding for a joint-use project under the provisions of Education Code Sections 17077.40, 17077.42 and 17077.45.

Requests for funding may be made as follows:

1. A Type I Joint-Use Project pursuant to Section 1859.122. The following documents must be submitted with this form in order for the Office of Public School Construction (OPSC) to accept the application for processing:
 - Joint-use agreement, that complies with the requirements of Education Code Section 17077.42.
 - Plans and Specifications (P&S) for the joint-use project approved by the Division of the State Architect (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.
 - Plan approval letter for the joint-use project from the California Department of Education (CDE).
 - A cost estimate to construct the joint-use project, if the district is requesting Extra Cost funding pursuant to Section 1859.125.1.

2. A Type II Joint-Use Project pursuant to Section 1859.122.1 or 1859.122.2. The following documents must be submitted with this form in order for the OPSC to accept the application for processing:
 - Joint-use Agreement, that complies with the requirements of Education Code Section 17077.42.
 - P&S for the joint-use project approved by the DSA if the joint-use project will be part of a qualifying School Facility Program (SFP) Modernization project, or preliminary plans if the joint-use project will not be part of a qualifying SFP Modernization project. 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.
 - Plan approval letter from the CDE.

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 which assists 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 "P.T. Number Generator."

1. Type of Application

Check the box that indicates the type of joint-use project funding requested. Refer to Sections 1859.122, 1859.122.1 and 1859.122.2 for eligibility criteria.

2. Pupils Served

Check the box that indicates the highest pupil grade level that is or will be served by the joint-use project. If the joint-use project will serve more than one school site, the CDE shall determine the highest pupil grade level to be served by the joint-use project.

3. Qualifying SFP Project Application Number

If the request is for a Type I or II Joint-Use Project which will be part of a qualifying SFP project, indicate the SFP application number or the project tracking number of the qualifying SFP project. Refer to Section 1859.123 and/or 1859.123.1.

4. Joint-Use Facility Square Footage

Enter the square footage of the non-toilet area, toilet area and total area of the joint-use facility.

5. Eligible Square Footage

Enter the eligible square footage of the joint-use project as determined by Section 1859.124.

6. Type I Joint-Use Project Extra Cost

If the request is for Extra Cost for a Type I Joint-Use Project, report: 50 percent of the estimated cost to construct the square footage in the joint-use project.

7. Site Development Cost

Enter 50 percent of service site development and utilities that meet the requirements of Sections 1859.125(a)(3) or 1859.125.1(a)(1)(B).

8. Project Assistance

Check the box if the district is requesting project assistance pursuant to Section 1859.73.1. This project assistance is available only for Type II Joint-Use Projects, not part of a qualifying SFP Modernization project.

9. Excessive Cost Hardship

Check the box(es) if the district qualifies and is requesting Excessive Cost Hardship funding for:

- (a) Geographic Percent Factor. Enter the percentage factor shown in the Geographic Percentage Chart for the location of the project. Refer to Section 1859.83(a).
- (b) Small Size Project. If the request is for a Type I or II Joint-Use Project, which will be part of a qualifying SFP project, check the box and enter the pupils assigned to the qualifying SFP project pursuant to Section 1859.123 and/or 1859.123.1. If request is for Type II Joint-Use Project, and will not be part of a qualifying SFP Modernization project, just check the box.

**APPLICATION FOR JOINT-USE FUNDING
SCHOOL FACILITY PROGRAM**

(c) Urban location, enter the:

- Existing Useable Acres, if the qualifying SFP New Construction project pursuant to Section 1859.123 is an addition to an existing school.
- The proposed Useable Acres that was/will be purchased as part of the qualifying SFP New Construction project pursuant to Section 1859.123.
- Master plan acreage size as recommended by the CDE.

10. District Project Priority

Enter the funding priority order of this application in relation to other district joint-use projects submitted to the OPSC on the same date. If the applications are not received on the same date, the OPSC will assign a higher district funding priority to that district application received first.

11. Project Progress Dates

Enter the following project progress dates:

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

12. Labor Compliance Program

- a. Indicate whether the district is subject to a Labor Compliance Program that has been approved by the Department of Labor Relations, pursuant to Labor Code Section 1771.7 by checking the appropriate box.
- b. If not, indicate whether the district will voluntarily initiate and enforce a Labor Compliance Program.

13. Matching Share

Indicate the percentage each party will contribute towards the matching share.

- (a) Indicate the percentage of matching share contribution the joint-use partner(s) will provide.
- (b) Indicate the percentage of matching share contribution the district will provide. If the district will provide more than 25 percent of the matching share, then the district must provide a copy of the bond which specifies that the monies from the bond are to be used to fund the joint-use project.

14. Certification

The district representative must complete this section.

DRAFT

**APPLICATION FOR JOINT-USE FUNDING
SCHOOL FACILITY PROGRAM**

The school district named below applies to the State Allocation Board via the Office of Public School Construction for a Joint-Use Project Grant(s) under the provisions of Chapter 12.5, Part 10, Division 1, Article 10.6, commencing with Section 17077.40, et seq., of the Education Code and the Regulations thereto.

SCHOOL DISTRICT	APPLICATION NUMBER
SCHOOL NAME	PROJECT TRACKING NUMBER
COUNTY	

1. Type of Application—Check Only One

- Type I Joint-Use Project
- Type II Joint-Use Project—reconfigure existing school buildings
- Type II Joint-Use Project—construct new school buildings

2. Pupils Served—Check Only One

- Elementary School
- Middle School
- High School

3. Qualifying SFP Project Application Number

Application Number: # _____
 Project Tracking Number: # _____

4. Joint-Use Facility Square Footage

Non-Toilet Facilities (sq. ft.): _____
 Toilet Facilities (sq. ft.): _____
 Total Joint-Use Facilities (sq. ft.): _____

5. Eligible Square Footage

6. Type I Joint-Use Project Extra Cost

Fifty percent of Construction Cost: \$ _____

7. Site Development Cost

Fifty percent of Service Site: \$ _____
 Fifty percent of Utilities: \$ _____

8. Project Assistance

- Type II Joint-Use Project only—not part of a qualifying SFP Modernization project

9. Excessive Cost Hardship

- a. Geographic Percent Factor: _____ %
- b. Small Size Project (Pupils): _____
- c. Urban
 - Existing Acres (Useable): _____
 - Proposed Acres (Useable): _____
 - CDE Master Plan: _____

10. District Project Priority

Priority order of this joint-use project application in relation to other joint-use project applications submitted by the district at the same time. # _____

11. Project Progress Dates

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

12. Labor Compliance Program

- a. Will you be required to initiate and enforce a Labor Compliance Program pursuant to Labor Code Section 1771.7 for this project? Yes No
- b. If not, indicate whether the district will voluntarily initiate a Labor Compliance Program. Yes No

13. Matching Share

- a. Joint-use partner(s) contribution: _____ %
- b. District contribution: _____ %

APPLICATION FOR JOINT-USE FUNDING SCHOOL FACILITY PROGRAM

SAB 50-07 (REV 05/07 01/05)

14. CERTIFICATION

I certify, as the District Representative, that the information reported on this form is true and correct and that I am the 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, Article 10.6, commencing with Section 17077.40, et. seq., of the Education Code was adopted by the School District's Governing Board 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 Sections 17070.75 and 17070.77 (Refer to Sections 1859.100 through 1859.102); and,
- The district will comply with all laws pertaining to the construction of its school building; and,
- All contracts entered into 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 the request is for a Type I or II Joint-Use Project, which is part of a qualifying SFP project, the district has received approval of the plans from the CDE and approval of the P&S from the DSA; and,
- If this request is for a Type II Joint-Use Project, and is not part of a qualifying SFP Modernization project, the district has completed the preliminary plans for the project and has received preliminary approval of the plans from the CDE; 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,
- The joint-use partners' financial contribution for the project required pursuant to Section 1859.127 has either been received and expended by the district, deposited in the County School Facility Fund or will be received and expended by the district prior to the notice of completion for the project; and,
- The district understands that the lack of substantial progress toward increasing the pupil capacity 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 request is for a Type I or II Joint-Use Project, which is part of a qualifying SFP Modernization project, 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,
- If the request is for a Type II Joint-Use Project, and is not part of a qualifying SFP Modernization project, the district understands that funds not released within 18 months from the date the DSA approved P&S are submitted to the OPSC, the 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,
- 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 and 1859.106; and,
- The district has complied with the provisions of Section 1859.76 and that the portion of the project funded by the State does not contain work specifically prohibited in that Section; and,
- If the joint-use project grant will be used for the construction 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,
- The district has complied with the applicable Joint-Use Program Eligibility Criteria outlined in Sections 1859.122, 1859.122.1 and 1859.122.2 as appropriate; 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 Proposition 47 and the Notice to Proceed for the construction phase of the project is issued on or after April 1, 2003; and,
- Pursuant to Labor Code Section 1771.7(e), if the district has or will voluntarily initiate and enforce a Labor Compliance Program, the program has been approved by the Department of Industrial Relations; and
- If the joint-use project will serve more than one school site, the CDE has determined the highest grade level that will be served by the joint-use project; 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

GENERAL INSTRUCTIONS

This form is used to request a preliminary apportionment for the new construction or [rehabilitation](#) of charter school facilities. This form may be submitted by either a charter school directly or by a school district on behalf of a charter school, provided the school is within the geographical boundaries of the district. The apportionment will be a reservation of funds for the project to allow time to receive the necessary approvals from other State entities and shall be converted to a Final Charter School Apportionment based on Sections 1859.165 through 1859.166.1.

The charter school must assign a Project Tracking Number (PTN) to this project. The same PTN is used by the OPSC, the Division of the State Architect (DSA) and the California Department of Education (CDE) for all project applications submitted to those agencies, which assist those agencies to track a particular project through out the entire state application review process. If a PTN has already been assigned to this project by prior submittal of the plans and specifications 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 Office of Public School Construction (OPSC) Web site at www.opsc.dgs.ca.gov "P.T. Number Generator." (Obtain from school district.)

Prior to submitting this form, the Board must determine or adjust the appropriate district's eligibility for new construction funding on the Form SAB 50-03. If the district [that is providing eligibility to the charter school](#) has a pending reorganization election that will result in the loss of eligibility for the proposed project, the district may not file this application 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. The following documents must be submitted with this form (as appropriate):

[For new construction and rehabilitation projects.](#)

- Form SAB 50-01, Form SAB 50-02 and Form SAB 50-03 (if not previously submitted by the school district).
- [Verification of the charter school's notification to the school district of its intent to apply for State funding pursuant to Education Code Section 17078.53\(b\) for a charter applying on its own behalf.](#)
- [A narrative describing the proposed project. Include the estimated general scope of the project intended, estimated opening date of the school, the Charter School General Location, if the project will include new construction or rehabilitation of existing facilities, and if the facilities are of permanent or portable construction.](#)

[For new construction projects.](#)

- [If the charter school is applying for a Preliminary Apportionment on its own behalf, a school board resolution certifying to the number of the district's unhouseed pupils, pursuant to Section 1859.162.1\(a\) that the project will house, the supporting documentation used to generate this number and the school board meeting minutes that recorded the approval of the certification.](#)
- [For school districts applying on behalf of a charter school, certification, signed by the district representative, and supporting documentation that states the number of the district's unhouseed pupils that will be housed in the charter school project.](#)
- [An estimated recommended site size letter from the CDE.](#)

- An Appraisal or Preliminary Appraisal of the property, or documentation supporting the Median Cost of the property, if requesting site acquisition funds. See Section 1859.163.2(a).
- Supporting documentation for relocation expenses and Department of Toxic Substance Control (DTSC) costs, if requesting amounts other than the 215 percent standard allowance. See Section 1859.163.2(b).
- A cost estimate for site development using the historical data of School Facility Program projects within the district or adjacent school districts within the General Location, if requesting amounts other than the standard allowance of \$70,000 per acre. See Section 1859.163.1(a)(3).

For purposes of determining an amount for site acquisition pursuant to Section 1859.164.2(b), the following documents must be submitted with this form (as appropriate):

- Contingent site approval letter from the CDE.
- Preliminary appraisal of property.

[For rehabilitation projects.](#)

- [For a charter school submitting a Preliminary Apportionment for rehabilitation on its own behalf, an agreement between the school district and the charter school for use of the facilities to be rehabilitated. The agreement must have been discussed and approved at a school district board meeting.](#)
- [A drawing of the school site that identifies all classrooms and subsidiary facilities and specifies the square footage and age of each building that will be included in the project.](#)

[This request is Requests for new construction or rehabilitation funding are](#) available only to charter schools that have current financial soundness status from the California School Finance Authority. Charter schools may apply for a separate amount for the design and for the [new construction](#) site acquisition on the same project. Charter schools may apply for a separate amount for the design of the project by submittal of Form SAB 50-05.

For a complete list of the application submittal guidelines, consult the OPSC Web site at www.opsc.dgs.ca.gov.

If the charter school or district is requesting a Preliminary Apportionment after the initial baseline eligibility was approved by the Board and the district's current California Basic Education Data System (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. The district must also update its eligibility by separation of Special Day Class from regular K-12 grade level pupils by submitting a revised Form SAB 50-02 and Form SAB 50-03, if it has not already done so. A Small School District with 2,500 or less enrollment as defined in Section 1859.2 will have its eligibility adjusted as provided in Section 1859.51(j).

SPECIFIC INSTRUCTIONS

A preliminary application may be submitted by either a school district on behalf of a charter school or a charter school on its own behalf if the charter school has notified both the superintendent and the governing board of its intent to do sodo in writing at least 30 days prior to submission of the preliminary application. See Education Code Section 17078.53 (b)(c)(1) and (2). The notice shall be sent by certified mail through the U.S. Postal Service and submitted to the school district in writing in such a way that allows for verification of the received date. The notice shall also include a request for a school district certification pursuant to Section 1859.162.1(a), a request for an update in the district's enrollment pursuant to Section 1859.162.1(b) and must indicate to the school district the number of pupils the charter school intends to apply for. Please indicate method of filing by checking appropriate box. If the eligibility being requested from the school district's eligibility is filed on a HSAA basis, the proposed project shall be constructed within the boundaries of that attendance area for which the eligibility is adjusted pursuant to Section 1859.162.2.

Prior to submitting a request for a preliminary apportionment the appropriate chartering entity must have either approved a charter petition or a material revision to a charter for the school in which the application references.

1. Type of Application

Check the appropriate box that indicates the type of request the Charter School is applying for with this form. If the Charter School is requesting a determination of eligible site acquisition costs from a Preliminary Charter School Apportionment previously approved by the Board, complete boxes 2, 3, 4 and the site acquisition data in 4b.

2. Type of Project

- Select the type of project that best represents this application request and enter the number of pupils assigned to the project for each grade group. Include pupils to be housed in an addition to an existing school or a new school project. The amount entered cannot exceed the lesser of district's available new construction baseline eligibility determined on Form SAB 50-03, as adjusted by Section 1859.51 or the limits established in Section 1859.162(c). The amount entered will be the basis for the amount of the Preliminary Charter School Apportionment provided for the project.
- Enter the name of the school district where the charter school is physically located. c.—Is this request an addition to an existing site? Yes or No. If yes, enter school name.

3. Number of Classrooms/Useable Acres

Enter the:

- Estimated number of classrooms in the proposed project.
- Existing Useable Acres (if addition to existing site).
- Estimated Proposed Useable Acres to be acquired for the project.

The estimated Proposed Useable Acres shall be obtained from CDE prior to application submittal.

The proposed Useable Acres requested shall not exceed the net useable acres included in an appraisal, preliminary appraisal or multiplying the pupils assigned by 0.00888 for elementary school pupils, 0.0105 for middle school pupils and 0.01236 for high school pupils. Assign Severely Disabled and Non-severely Disabled Individuals with Exceptional Needs as either elementary, middle or high school pupils based upon the type of project selected in item 1. See Section 1859.74.1.

4. Additional Project Information—New Construction Only

- Enter the estimated number of pupils, by grade level, that will attend the charter school.
- Enter the number of the school district's unhoused pupils to be housed in the charter school pursuant to Section 1859.162.1(a) or 1859.162.2(b).
- Is this request an addition to an existing site? Yes or No. If yes, enter school name.

5. Increase in Preliminary Apportionment—New Construction Only

Complete the appropriate Sections if the district is requesting an increase in the Preliminary Apportionment for the items listed. Refer to Sections 1859.163.1 and 1859.163.2.

- Check the box if the district request additional funding due to multilevel construction. See Section 1859.163.1(a)(2).
- Site Acquisition:
 - Enter 50 percent of the appraised value or the preliminary appraised value or the Median Cost of the property. See Section 1859.163.2(a). If the purchase price of the site is being determined using the median cost of the Charter School General Location enter the nearest street intersection to the charter school site.
 - To determine an allowance for relocation cost and DTSC cost, the charter school may request 15 percent of the property value determined above or specific or historic values of these costs. See Section 1859.163.2(b). If specific or historic values are reported, the charter school must submit appropriate documentation to support the amount reported.
 - Enter 50 percent of the amount allowable for hazardous material/waste removal and/or remediation for the site acquired. This amount may not exceed the limit set in Section 1859.163.2(d).
- To determine an allowance for site development, the charter school may request \$70,000 per proposed Usable Acres or a specific or historic value of the estimated costs. See Section 1859.163.1(a)(3). If specific or historic estimated costs are used, the district must submit appropriate cost estimate of the proposed work conforming to Section 1859.76.

In addition, check the box if the district is requesting General Site Development pursuant to Section 1859.163.1.
- Check the box if the proposed project is eligible for an increase due to geographic location. See Section 1859.163.1(a)(7).
- Check the box if this request is for a small size project. See Section 1859.163.1(a)(5.4).
- Check the box if the proposed project qualifies for an urban location allowance. See Section 1859.163.1(a)(6.5).
- Check the box if the proposed project is eligible for an increase due to geographic location. See Section 1859.163.1(a)(6).

6. Additional Project Information—Rehabilitation Only

Enter the square footage of the non-toilet area and toilet area contained in the rehabilitation project.

7. Increase in Preliminary Apportionment—Rehabilitation Only

- Check the box if the proposed project is eligible for an increase due to geographic location. See Section 1859.163.1(a)(7).
- Check the box if this request is for a small size project. See Section 1859.163.1(a)(5).

APPLICATION FOR CHARTER SCHOOL PRELIMINARY APPORTIONMENT

SCHOOL FACILITY PROGRAM

- c. [Check the box if the proposed project qualifies for an urban location allowance. See Section 1859.163.1\(a\)\(6\).](#)
- d. [Check the box if the rehabilitation project includes new two-stop elevator\(s\). Elevator\(s\) are allowed only if required by the DSA. Attach copy of the DSA letter that requires that the elevator\(s\) be included in the project for access compliance.](#)
- e. [Enter the number of additional stops on new DSA required elevator\(s\) beyond two.](#)

8. Labor Compliance Program

- a. [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.](#)
- b. [If not, indicate whether the district will voluntarily initiate and enforce a Labor Compliance Program.](#)

9.5. Priority Order

Enter the priority order of this application in relation to other applications for Preliminary Charter School Apportionment submitted on the same date by the same applicant within the same school district.

10.6. Charter School Information

The information requested in (d) and (e) below can be obtained from the Charter School Information Listing posted on the OPSC's Web site.

- a. Enter the charter school enrollment currently being served by the applicant for the purpose of calculating if the Charter School is Small, Medium, or Large. See Section 1859.2.

- b. Indicate if the charter school operates as not for profit. If yes, must comply with the definition of Non-Profit Entity in Section 1859.2.
- c. Enter the locale code of the charter school as identified in the definitions for "Rural," "Suburban," or "Urban." See Section 1859.2.
- d. To determine if the charter school is low income, enter the percentage of pupils at the charter school [identified as being eligible for participating in the Free/Reduced Lunch Program](#). See Section 1859.2 and 1859.164.1(a).
- e. If the charter school has submitted an additional application for this project under the requirements of Section 1859.162.1, enter the application number for that project.

11.7. Certification

The authorized representative for the charter school, or the school district representative on behalf of the charter school must complete this certification section.

- Part A – The authorized representative for the charter school, must complete this section if filing on its own behalf; or,
- Part B – The authorized school district representative must sign and date if filing on behalf of the charter school.

DRAFT

APPLICATION FOR CHARTER SCHOOL PRELIMINARY APPORTIONMENT
SCHOOL FACILITY PROGRAM

SAB 50-09 (REV 05/07 09/06 06/06)

The school district or charter school named below applies to the State Allocation Board via the Office of Public School Construction for a Preliminary Charter School Apportionment under the provisions of Chapter 12.5, Part 10, Division 1, Article 12, commencing with Section 17078.50, et seq, of the Education Code and the Regulations thereto.

Form with fields: SCHOOL DISTRICT APPLYING ON BEHALF OF CHARTER SCHOOL, CHARTER SCHOOL APPLYING ON ITS BEHALF, PRELIMINARY APPLICATION NUMBER, PROPOSED PROJECT NAME, PROJECT TRACKING NUMBER, COUNTY, HIGH SCHOOL ATTENDANCE AREA (IF APPLICABLE), SCHOOL BOARD APPROVAL DATE OF CHARTER PETITION OR MATERIAL REVISION

1. Type of Application—Check Only One

- 1. Type of Application—Check Only One
[] New Construction Preliminary Charter School Apportionment
[] Site Acquisition Costs [Section 1859.164.2(b)]
[] Rehabilitation Preliminary Charter School Apportionment

2. Type of Project

- 2. Type of Project
a. [] Elementary School
[] Middle School
[] High School

Pupils Assigned:
K-6
7-8
9-12
Non-Severe
Severe

- b. Name of school district where the charter school project will be physically located that pupils are coming from:
c. Addition to existing site? [] Yes [] No
If yes, enter school name:

3. Number of Classrooms/Useable Acres

Number of Classrooms:
Existing Acres (Useable):
Proposed Acres (Useable):

4. Additional Project Information—New Construction Only

- 4. Additional Project Information—New Construction Only
a. Project Capacity
K-6
7-8
9-12
Non-Severe
Severe
b. School District's Unhoused Pupils to be housed in the Charter School
K-6
7-8
9-12
Non-Severe
Severe
c. Addition to existing site? [] Yes [] No
If yes, enter school name:

5. Increase in Preliminary Apportionment—New Construction Only

- 5. Increase in Preliminary Apportionment—New Construction Only
a. [] Multilevel Construction
b. Site Acquisition:
(1) 50 percent appraised value or median cost: \$

Enter the nearest street intersection to the Charter School General Location if determined by median cost:

- (2) Relocation/DTSC Cost:
[] 15 percent
[] 50 percent of specific or historical cost: \$
(3) Hazardous material clean-up: \$
c. Site Development
[] \$70,000 per proposed useable acre
[] 50 percent of specific or historical cost: \$
[] General Site
d. [] Geographic Percent Factor: %
e. [] Small Size Project
f. [] Urban Allowance
f. [] Geographical Percentage Factor: %

6. Additional Project Information—Rehabilitation Only

Square Footage of Project:
Non-Toilets Facilities (sq. ft.):
Toilet Facilities (sq. ft.):

7. Increase in Preliminary Apportionment—Rehabilitation Only

- 7. Increase in Preliminary Apportionment—Rehabilitation Only
a. [] Geographic Percent Factor: %
b. [] Small Size Project
c. [] Urban/Security/Impacted Site
d. [] Number of 2-Stop Elevators:
e. [] Number of Additional Stops:

8. Labor Compliance Program

- 8. Labor Compliance Program
a. Will you be required to initiate and enforce a Labor Compliance Program pursuant to Labor Code Section 1771.7 for this project? [] Yes [] No
b. If not, indicate whether the district will voluntarily initiate and enforce a Labor Compliance Program. [] Yes [] No

9. Priority Order

#

10. Charter School Information

- 10. Charter School Information
a. Current charter school enrollment:
b. Is charter school not for profit? [] Yes [] No
c. Enter locale code of charter school:
d. Free/Reduced Lunch: %
e. Additional Application Number: #

**APPLICATION FOR CHARTER SCHOOL PRELIMINARY APPORTIONMENT
SCHOOL FACILITY PROGRAM**

117. Certification

I certify that the information reported on this form is true and correct and that:

- I am an authorized representative of the charter school designated by the governing board or equivalent authority of the charter school and have notified both the Superintendent and the governing board of the school district in writing, at least 30 days prior to the date of this application, of our intent to submit a preliminary application (complete Part A below); or,
 - I am an authorized school district representative submitting this application on behalf of a charter school pursuant to Education Code Section 17078.53 (c)(1) (complete Part B below). If this box is checked the following certifications shall apply to the school district.
- A resolution or other appropriate documentation supporting this application under Article 12, Chapter 12.5, Part 10, Division 1, Title 2, commencing with Section 17078.50, et. seq., of the Education Code was adopted by the School District's Governing Board or the governing board or other equivalent authority of the charter school on, _____; and,
 - Prior to submitting this application the charter school and school district have considered existing facilities in accordance with Education Code Section 17078.53(e); and,
 - For a charter school applying for a rehabilitation Preliminary Apportionment on its own behalf, the charter school and school district have entered into an agreement to rehabilitate school district existing facilities and the agreement has been discussed and approved at a regularly scheduled school board meeting; and,
 - For a charter school applying for a new construction Preliminary Apportionment on its own behalf, the charter school and school district have complied with Section 1859.162.1 pertaining to the certification of the number of unhoused students the project will house; and,
 - The charter school has or will establish 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,
 - The charter school has or will consider the feasibility of the joint use of land and facilities with other governmental agencies in order to minimize school facility costs; and,
 - The charter school will comply with all laws pertaining to the construction of its school building; and,
 - All contracts entered 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,

- The charter school has or will comply with the Public Contract Code regarding all laws governing the use of force account labor; and,
- This charter school has or will comply with Education Code Section 17076.11 regarding at least a 3 percent expenditure goal for disabled veteran business enterprises; and,
- The charter school understands that the lack of substantial progress toward increasing the pupil capacity of its facilities within the timelines prescribed for a Preliminary Charter School Apportionment shall be cause for rescission of the Preliminary Charter School Apportionment; and,
- The charter school acknowledges this request may be subject to the material inaccuracy penalty provisions in Section 1859.104.1; 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 maximum interaction between those individuals with exceptional needs and other pupils as appropriate to the needs of both; and,
- If the Preliminary Charter School Apportionment is requested for the construction of school facilities on leased land, the charter school has or will execute a lease agreement for the leased property that meets the requirements of Section 1859.22; and,
- The charter school understands that when the Preliminary Charter School Apportionment is converted to a Final Charter School Apportionment, the funding available for the Final Charter School Apportionment is subject to the provisions of Section 1859.167; and,
- The statements set forth in this application and supporting documents are true and correct to the best of my knowledge and belief; and,
- This form is an exact duplicate (verbatim) of the form provided by the OPSC. In the event a conflict should exist, then the language in the OPSC form will prevail; and,
- The charter school 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,
- Pursuant to Labor Code Section 1771.7(e), if the district has or will voluntarily initiate and enforce a Labor Compliance Program, the program has been approved by the Department of Industrial Relations; 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.

Part A. Charter School Filing on its Own Behalf

NAME OF REPRESENTATIVE		TITLE
ADDRESS		
TELEPHONE	FAX NUMBER	E-MAIL
SIGNATURE OF AUTHORIZED CHARTER SCHOOL REPRESENTATIVE		DATE

Part B. School District Filing on Behalf of Charter School

SIGNATURE OF AUTHORIZED DISTRICT REPRESENTATIVE	DATE
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REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, May 23, 2007

FINANCIAL NEEDS OF THE STATE RELOCATABLE CLASSROOM PROGRAM

PURPOSE OF REPORT

To present the estimated financial needs to operate the State Relocatable Classroom Program (Program) for the 2007/08 and 2008/09 Fiscal Years (FY).

BACKGROUND

At the August 2005 State Allocation Board (SAB) meeting, the Board requested Staff to report back on the projected annual financial needs for the Program before the end of each fiscal year.

DISCUSSION

At the request of the Board, Staff has prepared the Attachment which summarizes the estimated financial needs to operate the Program for the current (FY 2006/07) and next two fiscal years (FY 2007/08 through FY 2008/09). All Program operating cost estimates are based on the assumption that the implementation of the Phase-Out Plan and the systematic disposal of relocatable classrooms are proceeding as approved by the Board. As of December 1, 2005, the Program stopped accepting new applications from school districts to lease relocatable classrooms from the State. In doing so, the State will no longer be obligated to pay for such items as transportation costs, set up costs, and other reimbursable allowances. However, some of the operating costs estimated for the current and budget years include transportation and set-up costs for moves that were on the Program workload list prior to the Board's approval of the Phase-Out Plan. Staff anticipates the only moves that will be paid for by the Board in FY 2007/08 and FY 2008/09 will be remaining moves approved prior to the approval of the Phase-Out Plan and State owned relocatables that lie within the footprint of a School Facility Program (SFP) new construction project.

The estimated cost to administer the Program for the current fiscal year (FY 2006/07) is \$6,464,700 and is based on both actual and projected costs. This is consistent with the expenditure authority authorized in the 2006 Budget Act. For this Fiscal Year, the Office of Public School Construction is making a one time transfer of \$15,547,233 from the State School Building Aid fund to the SFP Joint Use fund, pursuant to the SAB action at its February 2007 meeting.

The estimated cost to administer the Program for FY 2007/08 is approximately \$1.9 million. This cost is approximately \$2.7 million less than the expenditure authority proposed in the 2007/08 Governor's Budget. The projected cost to administer the Program for FY 2008/09 is approximately \$1.8 million and the total revenues generated by the Program are estimated to be \$14.7 million. The administrative costs for the current and budget years continue to decrease as the relocatable classrooms are sold and there are fewer buildings to move or demolish.

RECOMMENDATION

Direct Staff to submit to the Department of Finance appropriate budget documents to update Program revenue and expenditure estimates consistent with this item, to be reflected in the May Revision update for the FY 2007/08 Budget.

This Item was approved by the State Allocation Board on May 23, 2007.

ATTACHMENT
State Allocation Board, May 23, 2007

State Relocatable Classroom Program Projected Costs

Expenditure Authority Available	2006/2007	2007/2008	2008/2009
6350-601-0739 Local Assistance	\$7,631,302.00	\$4,417,000.00	\$0.00
1760-011-0739 ¹	\$1,510,000.00	\$0.00	\$0.00
1760-001-0739 Support Operations ²	\$248,000.00	\$322,000.00	\$331,000.00
Expenditure Authority Available	\$9,389,302.00	\$4,739,000.00	\$331,000.00

Revenue	2006/2007	2007/2008	2008/2009
Lease Revenue	\$19,400,000.00	\$14,800,000.00	\$6,700,000.00
Sale of State Relocatables	\$14,000,000.00	\$4,000,000.00	\$8,000,000.00
Transfer to Joint Use Program ³	-\$15,547,233.00	\$0.00	\$0.00
Total Revenue	\$17,852,767.00	\$18,800,000.00	\$14,700,000.00

Estimated SRCP Costs	2006/2007	2007/2008	2008/2009
Northern California Movers Contract (NMC)	\$1,911,000.00	\$0.00	\$0.00
Southern California Movers Contract (SCMC) ⁴	\$3,003,000.00	\$1,500,000.00	\$0.00
NMC Reimbursement Costs	\$284,000.00	\$0.00	\$0.00
SCMC Reimbursement Costs	\$822,000.00	\$0.00	\$0.00
Moving Costs ⁵	\$0.00	\$0.00	\$1,350,000.00
Disposal Costs	\$196,700.00	\$131,000.00	\$130,000.00
State Relocatable Classroom Program Staffing	\$248,000.00	\$322,000.00	\$331,000.00
	\$6,464,700.00	\$1,953,000.00	\$1,811,000.00

¹ One time transfer from Fund 0739 to Fund 6036 to repay prior year School Facility Program bond fund expenditures for operating costs associated with staffing the State Relocatable Classroom Program.

² Includes \$33,000 in excess of the budgeted amount in the 2007/08 and 2008/09 Fiscal Years to cover the OPSC administrative and technology overhead costs not appropriately distributed amongst the various OPSC programs.

³ One time transfer from Fund 0739 to Fund 6044 to apportion School Facility Program Joint Use Projects pursuant to the State Allocation Board action at the February 28, 2007 meeting.

⁴ Approximately \$1.5 million of the remaining mover's contract will be utilized, executing a one-year extension on the contract, during 2007/2008.

⁵ Represents the expenditure authority required to reimburse school districts for moving State Relocatable Classrooms out of the footprint for new construction and/or modernization.