

REPORT OF THE EXECUTIVE OFFICER  
State Allocation Board Meeting, October 24, 2007

CRITICALLY OVERCROWDED SCHOOL FACILITIES PROGRAM  
PRELIMINARY APPORTIONMENT RESCISSIONS

PURPOSE OF REPORT

To rescind the preliminary apportionment on projects that did not meet the requirements of the Critically Overcrowded School (COS) Facilities Program.

DESCRIPTION

Districts that received a preliminary apportionment under the COS Facilities Program have four years to convert to a final apportionment. If the districts do not meet this timeline, the preliminary apportionment will be rescinded unless a district meets certain criteria to obtain an extension for one year. The school districts listed on the Attachment received preliminary apportionments in 2003 under Proposition 47. These districts have either requested to rescind the project(s) or did not qualify for a time extension.

AUTHORITY

Pursuant to Education Code Section 1859.148, a Preliminary Apportionment not converted to a Final Apportionment shall be rescinded after four years from the date that the Preliminary Apportionment was made unless the project receives a one-year time extension as provided in Section 1859.148.1.

STAFF COMMENTS

The districts listed on the Attachment have not met the four-year requirement (Time Limit on Preliminary Apportionment) and were notified in writing of the opportunity to request an extension. These districts have either requested to rescind the project(s) or did not qualify for a time extension. Therefore, these preliminary apportionments are being presented to the State Allocation Board (SAB) for rescission. All districts received follow up correspondence and phone calls from Staff providing notification of this impending SAB action.

RECOMMENDATIONS

1. Find that the projects identified on the Attachment did not meet the Time Limit on Preliminary Apportionment requirements.
2. Rescind the preliminary apportionments and return the pupils to the districts' baselines.
3. Direct Staff to transfer \$317,823,265 to the Unrestricted Fund from the Restricted Fund within the 2002 Critically Overcrowded School Facilities Account.

BOARD ACTION

In considering this item, the State Allocation Board on October 24, 2007 approved Staff's recommendations with the exception of the Oakland Unified School District projects. The California Department of Education is attempting to contact Oakland USD.

**ATTACHMENT  
SCHOOL FACILITY PROGRAM  
PRELIMINARY APPORTIONMENT RESCISSIONS  
CRITICALLY OVERCROWDED SCHOOLS  
State Allocation Board Meeting, October 24, 2007**

District	County	Application Number	Reinstated Pupil Grants					Apportionment Resciissions	
			K-6	7-8	9-12	Non-Severe	Severe	Total Project Cost	Estimated State Grant
EL MONTE CITY	LOS ANGELES	53/64501-00-001		132				\$7,014,210	\$3,507,105
ESCONDIDO UNION ESD	SAN DIEGO	53/68098-00-002	800			26		65,880,402	32,940,201
FRESNO UNIFIED	FRESNO	53/62166-00-004	875					20,899,732	10,449,866
INGLEWOOD UNIFIED	LOS ANGELES	53/64634-00-001	231					4,396,628	2,198,314
INGLEWOOD UNIFIED	LOS ANGELES	53/64634-00-002	125					6,142,666	3,071,333
INGLEWOOD UNIFIED	LOS ANGELES	53/64634-00-003	100					5,579,352	2,789,676
LONG BEACH UNIFIED	LOS ANGELES	53/64725-00-001	1,250					67,946,850	33,973,425
MONTEBELLO UNIFIED	LOS ANGELES	53/64808-00-001	150					2,849,348	1,424,674
MONTEBELLO UNIFIED	LOS ANGELES	53/64808-00-003	100					2,182,152	1,091,076
MONTEBELLO UNIFIED	LOS ANGELES	53/64808-00-005	300					6,903,726	3,451,863
MONTEBELLO UNIFIED	LOS ANGELES	53/64808-00-006	50					673,440	336,720
MONTEBELLO UNIFIED	LOS ANGELES	53/64808-00-007	350					8,547,414	4,273,707
MONTEBELLO UNIFIED	LOS ANGELES	53/64808-00-008	200					4,225,762	2,112,881
MONTEBELLO UNIFIED	LOS ANGELES	53/64808-00-009	500					8,684,620	4,342,310
MONTEBELLO UNIFIED	LOS ANGELES	53/64808-00-011	250					5,218,724	2,609,362
MONTEBELLO UNIFIED	LOS ANGELES	53/64808-00-012	250					4,841,892	2,420,946
MONTEBELLO UNIFIED	LOS ANGELES	53/64808-00-013	200					4,339,572	2,169,786
MONTEBELLO UNIFIED	LOS ANGELES	53/64808-00-015		216				4,500,872	2,250,436
MONTEBELLO UNIFIED	LOS ANGELES	53/64808-00-017		216				5,042,494	2,521,247
MONTEBELLO UNIFIED	LOS ANGELES	53/64808-00-018			648			18,862,976	9,431,488
MONTEBELLO UNIFIED	LOS ANGELES	53/64808-00-020			54			997,712	498,856
MONTEBELLO UNIFIED	LOS ANGELES	53/64808-00-021	1,250					31,729,120	15,864,560
OAKLAND UNIFIED	ALAMEDA	53/61259-09-001		240				28,877,942	14,438,971
OAKLAND UNIFIED	ALAMEDA	53/61259-12-001		222				34,026,914	17,013,457
OAKLAND UNIFIED	ALAMEDA	53/61259-12-002			352			64,208,472	32,104,236
OAKLAND UNIFIED	ALAMEDA	53/61259-13-002			1,005			144,315,676	72,157,838
OAKLAND UNIFIED	ALAMEDA	53/61259-21-001	44					5,042,162	2,521,081
OXNARD ELEMENTARY	VENTURA	53/72538-00-003	274					25,737,652	12,868,826
RIVERSIDE UNIFIED	RIVERSIDE	53/67215-00-001	825					30,481,220	15,240,610
SOUTH PASADENA UNIFIED	LOS ANGELES	53/65029-00-001			219	15	10	15,496,828	7,748,414
Total			8,124	1,026	2,278	41	10	\$635,646,530	\$317,823,265

REPORT OF THE EXECUTIVE OFFICER  
State Allocation Board Meeting, October 24, 2007

CRITICALLY OVERCROWDED SCHOOL FACILITIES PROGRAM  
PRELIMINARY APPORTIONMENT TIME LIMIT EXTENSIONS

PURPOSE OF REPORT

To present districts' requests for time extensions on preliminary apportionments received for the Critically Overcrowded School (COS) Facilities Program projects.

DESCRIPTION

Districts that received a preliminary apportionment under the COS Facilities Program have four years to convert to a final apportionment. If the districts do not meet this timeline, the preliminary apportionment will be rescinded unless a district meets certain criteria to obtain an extension for one year. The school districts listed on the Attachment received preliminary apportionments in 2003 under Proposition 47 and have requested a time extension.

AUTHORITY

Education Code Section 17078.25 (b), in part states, the board shall grant the request for a single one-year extension if it determines that the applicant has made substantial progress towards completing the requirements for filing an application for final apportionment. School Facility Program (SFP) Regulation Section 1859.148.1, provides districts requesting extensions must meet certain criteria such as; the California Department of Education has made a contingent or final approval of the proposed site and the Division of the State Architect (DSA) has confirmed that the final plans for the project have been submitted to the DSA for review and approval, or the district has submitted other evidence satisfactory to the State Allocation Board (SAB).

STAFF COMMENTS

The districts listed on the Attachment have submitted acceptable evidence that the districts meet the criteria listed above. Staff recommends approval of the request for a one-year extension of the time limit on the preliminary apportionments.

RECOMMENDATIONS

1. Approve the districts' requests for a one-year time extension of its COS preliminary apportionment, as indicated on the Attachment.
2. Failure to convert to the final apportionment and/or submit an acceptable SFP final apportionment funding application by August 27, 2008 will result in the preliminary apportionment being rescinded without further SAB action.
3. Designate the funds from any rescinded preliminary apportionment be designated to the Unrestricted Fund within the 2002 Critically Overcrowded School Facilities Account.

This Item was approved by the State Allocation Board on October 24, 2007.

**ATTACHMENT**  
**SCHOOL FACILITY PROGRAM**  
**PRELIMINARY APPORTIONMENT TIME LIMIT EXTENSIONS**  
**CRITICALLY OVERCROWDED SCHOOLS**  
State Allocation Board Meeting, October 24, 2007

District	County	Project Name	Application Number	50-08 Received Date	Grade Level	Preliminary Apportionment Amount
ANAHEIM CITY	ORANGE	PONDEROSA	53/66423-00-001	05/01/03	K-6	\$20,622,898
LONG BEACH UNIFIED	LOS ANGELES	GTE MIDDLE SCHOOL	53/64725-00-002	05/01/03	7-8	12,131,581
LONG BEACH UNIFIED	LOS ANGELES	REDONDO/HILL K-8 SCHOOL	53/64725-00-003	05/01/03	K-6	19,685,705
LOS ANGELES UNIFIED	LOS ANGELES	JMBL-1	53/64733-00-001	05/01/03	7-8	3,317,120
LOS ANGELES UNIFIED	LOS ANGELES	KEBA-1	53/64733-00-002	05/01/03	K-6	2,971,526
LOS ANGELES UNIFIED	LOS ANGELES	FEBE-1	53/64733-00-004	05/01/03	K-6	5,609,729
LOS ANGELES UNIFIED	LOS ANGELES	FEBE-4	53/64733-00-007	05/01/03	K-6	5,609,729
LOS ANGELES UNIFIED	LOS ANGELES	FEBE-5	53/64733-00-008	05/01/03	K-6	5,609,729
LOS ANGELES UNIFIED	LOS ANGELES	FEBE-6	53/64733-00-009	05/01/03	K-6	5,609,729
LOS ANGELES UNIFIED	LOS ANGELES	FEBE-7	53/64733-00-010	05/01/03	K-6	5,609,729
LOS ANGELES UNIFIED	LOS ANGELES	FMBE-1	53/64733-00-013	05/01/03	7-8	7,040,922
LOS ANGELES UNIFIED	LOS ANGELES	FMBE-2	53/64733-00-014	05/01/03	7-8	7,040,922
LOS ANGELES UNIFIED	LOS ANGELES	CEVN-4	53/64733-00-015	05/01/03	K-6	3,929,110
LOS ANGELES UNIFIED	LOS ANGELES	FMBE-3	53/64733-00-016	05/01/03	7-8	7,040,922
LOS ANGELES UNIFIED	LOS ANGELES	CEVN-5	53/64733-00-017	05/01/03	K-6	3,929,110
LOS ANGELES UNIFIED	LOS ANGELES	FMBE-4	53/64733-00-018	05/01/03	7-8	7,040,922
LOS ANGELES UNIFIED	LOS ANGELES	FMBE-5	53/64733-00-019	05/01/03	7-8	7,040,922
LOS ANGELES UNIFIED	LOS ANGELES	CEVN-6	53/64733-00-020	05/01/03	K-6	3,929,110
LOS ANGELES UNIFIED	LOS ANGELES	FMBE-8	53/64733-00-023	05/01/03	7-8	3,525,739
LOS ANGELES UNIFIED	LOS ANGELES	FMBE-9	53/64733-00-024	05/01/03	7-8	3,525,739
LOS ANGELES UNIFIED	LOS ANGELES	FMBE-10	53/64733-00-025	05/01/03	7-8	3,525,739
LOS ANGELES UNIFIED	LOS ANGELES	FEBE-8	53/64733-00-027	05/01/03	K-6	5,609,729
LOS ANGELES UNIFIED	LOS ANGELES	FEBE-9	53/64733-00-036	05/01/03	K-6	5,609,729
LOS ANGELES UNIFIED	LOS ANGELES	FEBE-10	53/64733-00-037	05/01/03	K-6	5,609,729
LOS ANGELES UNIFIED	LOS ANGELES	FEBE-11	53/64733-00-038	05/01/03	K-6	5,609,729
LOS ANGELES UNIFIED	LOS ANGELES	FEBE-12	53/64733-00-039	05/01/03	K-6	5,609,729
LOS ANGELES UNIFIED	LOS ANGELES	FEBE-13	53/64733-00-040	05/01/03	K-6	5,609,729
LOS ANGELES UNIFIED	LOS ANGELES	FEBE-14	53/64733-00-041	05/01/03	K-6	5,609,729
LOS ANGELES UNIFIED	LOS ANGELES	FMBE-11	53/64733-00-042	05/01/03	7-8	7,040,922
LOS ANGELES UNIFIED	LOS ANGELES	FMBE-12	53/64733-00-043	05/01/03	7-8	7,040,922
LOS ANGELES UNIFIED	LOS ANGELES	FMBE-13	53/64733-00-044	05/01/03	7-8	7,040,922
LOS ANGELES UNIFIED	LOS ANGELES	FMBE-14	53/64733-00-045	05/01/03	7-8	7,040,922
LOS ANGELES UNIFIED	LOS ANGELES	FMBE-15	53/64733-00-046	05/01/03	7-8	7,040,922
LOS ANGELES UNIFIED	LOS ANGELES	FMBE-16	53/64733-00-047	05/01/03	7-8	7,040,922
LOS ANGELES UNIFIED	LOS ANGELES	FMBE-17	53/64733-00-048	05/01/03	7-8	7,040,922
LOS ANGELES UNIFIED	LOS ANGELES	FMBE-18	53/64733-00-049	05/01/03	7-8	7,040,922
LOS ANGELES UNIFIED	LOS ANGELES	FMBE-19	53/64733-00-050	05/01/03	7-8	7,040,922
LOS ANGELES UNIFIED	LOS ANGELES	FMBE-20	53/64733-00-051	05/01/03	7-8	7,040,922

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LOS ANGELES UNIFIED	LOS ANGELES	FMBE-23	53/64733-00-054	05/01/03	7-8	3,525,739
LOS ANGELES UNIFIED	LOS ANGELES	FMBE-24	53/64733-00-055	05/01/03	7-8	3,525,739
LOS ANGELES UNIFIED	LOS ANGELES	FMBE-25	53/64733-00-056	05/01/03	7-8	3,525,739
LOS ANGELES UNIFIED	LOS ANGELES	FMBE-26	53/64733-00-057	05/01/03	7-8	3,525,739
LOS ANGELES UNIFIED	LOS ANGELES	FMLI-1	53/64733-00-060	05/01/03	7-8	3,116,333
LOS ANGELES UNIFIED	LOS ANGELES	FMLI-2	53/64733-00-061	05/01/03	7-8	3,116,333
LOS ANGELES UNIFIED	LOS ANGELES	FMLI-4	53/64733-00-063	05/01/03	7-8	1,560,477
LOS ANGELES UNIFIED	LOS ANGELES	FMLI-5	53/64733-00-064	05/01/03	7-8	1,560,477
LOS ANGELES UNIFIED	LOS ANGELES	FMLI-6	53/64733-00-065	05/01/03	7-8	1,560,477
LOS ANGELES UNIFIED	LOS ANGELES	KEBA-2	53/64733-00-066	05/01/03	K-6	2,971,526
LOS ANGELES UNIFIED	LOS ANGELES	KEBA-3	53/64733-00-067	05/01/03	K-6	2,971,526
LOS ANGELES UNIFIED	LOS ANGELES	KEBA-4	53/64733-00-068	05/01/03	K-6	2,971,526
LOS ANGELES UNIFIED	LOS ANGELES	KEBA-5	53/64733-00-069	05/01/03	K-6	1,487,067
LOS ANGELES UNIFIED	LOS ANGELES	KENA-1	53/64733-00-070	05/01/03	K-6	3,282,513
LOS ANGELES UNIFIED	LOS ANGELES	KENA-2	53/64733-00-071	05/01/03	K-6	3,282,513
LOS ANGELES UNIFIED	LOS ANGELES	KENA-3	53/64733-00-072	05/01/03	K-6	3,282,513
LOS ANGELES UNIFIED	LOS ANGELES	JMBL-2	53/64733-00-074	05/01/03	7-8	3,317,120
LOS ANGELES UNIFIED	LOS ANGELES	GMMA-1	53/64733-00-075	05/01/03	7-8	3,245,197
LOS ANGELES UNIFIED	LOS ANGELES	KMBA-1	53/64733-00-076	05/01/03	7-8	3,670,230
LOS ANGELES UNIFIED	LOS ANGELES	KMBA-2	53/64733-00-077	05/01/03	7-8	1,837,825
LOS ANGELES UNIFIED	LOS ANGELES	JMBL-3	53/64733-00-078	05/01/03	7-8	3,317,120
LOS ANGELES UNIFIED	LOS ANGELES	JMBL-4	53/64733-00-079	05/01/03	7-8	3,317,120
LOS ANGELES UNIFIED	LOS ANGELES	JMBL-6	53/64733-00-081	05/01/03	7-8	1,661,015
LOS ANGELES UNIFIED	LOS ANGELES	KMBA-3	53/64733-00-082	05/01/03	7-8	1,837,825
LOS ANGELES UNIFIED	LOS ANGELES	KMGD-1	53/64733-00-083	05/01/03	7-8	3,575,586
LOS ANGELES UNIFIED	LOS ANGELES	GMMA-2	53/64733-00-084	05/01/03	7-8	1,625,002
LOS ANGELES UNIFIED	LOS ANGELES	GEMA-1	53/64733-00-085	05/01/03	K-6	2,638,883
LOS ANGELES UNIFIED	LOS ANGELES	GEMA-2	53/64733-00-086	05/01/03	K-6	2,638,883
LOS ANGELES UNIFIED	LOS ANGELES	GMMA-3	53/64733-00-087	05/01/03	7-8	3,245,197
LOS ANGELES UNIFIED	LOS ANGELES	GMMA-4	53/64733-00-088	05/01/03	7-8	1,625,002
LOS ANGELES UNIFIED	LOS ANGELES	GMDO-1	53/64733-00-090	05/01/03	7-8	3,288,265
LOS ANGELES UNIFIED	LOS ANGELES	GMDO-2	53/64733-00-091	05/01/03	7-8	3,288,265
LOS ANGELES UNIFIED	LOS ANGELES	GMDO-3	53/64733-00-092	05/01/03	7-8	1,646,568
LOS ANGELES UNIFIED	LOS ANGELES	GHWP-1	53/64733-00-094	05/01/03	9-12	3,607,827
LOS ANGELES UNIFIED	LOS ANGELES	GHWP-2	53/64733-00-095	05/01/03	9-12	3,607,827
LOS ANGELES UNIFIED	LOS ANGELES	GHWP-3	53/64733-00-096	05/01/03	9-12	3,607,827
LOS ANGELES UNIFIED	LOS ANGELES	GHWP-4	53/64733-00-097	05/01/03	9-12	3,607,827
LOS ANGELES UNIFIED	LOS ANGELES	GHWP-5	53/64733-00-098	05/01/03	9-12	3,607,827

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LOS ANGELES UNIFIED	LOS ANGELES	GHWP-6	53/64733-00-099	05/01/03	9-12	3,607,827
LOS ANGELES UNIFIED	LOS ANGELES	GHWP-7	53/64733-00-100	05/01/03	9-12	3,607,827
LOS ANGELES UNIFIED	LOS ANGELES	GHWP-8	53/64733-00-101	05/01/03	9-12	3,607,827
LOS ANGELES UNIFIED	LOS ANGELES	GHWP-9	53/64733-00-102	05/01/03	9-12	3,607,827
LOS ANGELES UNIFIED	LOS ANGELES	GHWP-10	53/64733-00-103	05/01/03	9-12	3,607,827
LOS ANGELES UNIFIED	LOS ANGELES	GHDO-1	53/64733-00-105	05/01/03	9-12	4,002,856
LOS ANGELES UNIFIED	LOS ANGELES	GHDO-2	53/64733-00-106	05/01/03	9-12	4,002,856
LOS ANGELES UNIFIED	LOS ANGELES	GHDO-3	53/64733-00-107	05/01/03	9-12	4,002,856
LOS ANGELES UNIFIED	LOS ANGELES	GHDO-4	53/64733-00-108	05/01/03	9-12	4,002,856
LOS ANGELES UNIFIED	LOS ANGELES	GHDO-5	53/64733-00-109	05/01/03	9-12	4,002,856
LOS ANGELES UNIFIED	LOS ANGELES	GHDO-6	53/64733-00-110	05/01/03	9-12	4,002,856
LOS ANGELES UNIFIED	LOS ANGELES	GHDO-7	53/64733-00-111	05/01/03	9-12	4,002,856
LOS ANGELES UNIFIED	LOS ANGELES	GHDO-8	53/64733-00-112	05/01/03	9-12	4,002,856
LOS ANGELES UNIFIED	LOS ANGELES	AEMO-1	53/64733-00-114	05/01/03	K-6	3,216,489
LOS ANGELES UNIFIED	LOS ANGELES	AEMO-2	53/64733-00-115	05/01/03	K-6	3,216,489
LOS ANGELES UNIFIED	LOS ANGELES	AEMO-3	53/64733-00-116	05/01/03	K-6	3,216,489
LOS ANGELES UNIFIED	LOS ANGELES	AEMO-4	53/64733-00-117	05/01/03	K-6	3,216,489
LOS ANGELES UNIFIED	LOS ANGELES	AEMO-5	53/64733-00-118	05/01/03	K-6	3,216,489
LOS ANGELES UNIFIED	LOS ANGELES	KMGD-2	53/64733-00-126	05/01/03	7-8	3,575,586
LOS ANGELES UNIFIED	LOS ANGELES	KMGD-3	53/64733-00-127	05/01/03	7-8	1,790,434
LOS ANGELES UNIFIED	LOS ANGELES	KMGD-4	53/64733-00-128	05/01/03	7-8	1,790,434
LOS ANGELES UNIFIED	LOS ANGELES	KMGD-5	53/64733-00-129	05/01/03	7-8	1,790,434
LOS ANGELES UNIFIED	LOS ANGELES	KMGD-6	53/64733-00-130	05/01/03	7-8	1,790,434
LOS ANGELES UNIFIED	LOS ANGELES	AEMO-6	53/64733-00-131	05/01/03	K-6	3,216,489
LOS ANGELES UNIFIED	LOS ANGELES	KMNA-7	53/64733-00-133	05/01/03	7-8	4,067,592
LOS ANGELES UNIFIED	LOS ANGELES	KMNA-8	53/64733-00-134	05/01/03	7-8	4,067,592
LOS ANGELES UNIFIED	LOS ANGELES	KMNA-9	53/64733-00-135	05/01/03	7-8	2,036,792
LOS ANGELES UNIFIED	LOS ANGELES	JMBL-7	53/64733-00-138	05/01/03	7-8	1,661,015
LOS ANGELES UNIFIED	LOS ANGELES	JMBL-8	53/64733-00-139	05/01/03	7-8	1,661,015
LOS ANGELES UNIFIED	LOS ANGELES	AEMO-7	53/64733-00-141	05/01/03	K-6	3,216,489
LOS ANGELES UNIFIED	LOS ANGELES	HMJE-1	53/64733-00-145	05/01/03	7-8	3,196,761
LOS ANGELES UNIFIED	LOS ANGELES	AEMO-8	53/64733-00-146	05/01/03	K-6	3,216,489
LOS ANGELES UNIFIED	LOS ANGELES	HMJE-2	53/64733-00-147	05/01/03	7-8	3,196,761
LOS ANGELES UNIFIED	LOS ANGELES	HMJE-3	53/64733-00-149	05/01/03	7-8	1,600,748
LOS ANGELES UNIFIED	LOS ANGELES	HMJE-4	53/64733-00-150	05/01/03	7-8	1,600,748
LOS ANGELES UNIFIED	LOS ANGELES	JMHP-1	53/64733-00-151	05/01/03	7-8	3,452,339
LOS ANGELES UNIFIED	LOS ANGELES	AEMO-12	53/64733-00-153	05/01/03	K-6	3,216,489
LOS ANGELES UNIFIED	LOS ANGELES	JMHP-2	53/64733-00-155	05/01/03	7-8	3,452,339

**ATTACHMENT**  
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District	County	Project Name	Application Number	50-08 Received Date	Grade Level	Preliminary Apportionment Amount
LOS ANGELES UNIFIED	LOS ANGELES	AEMO-13	53/64733-00-156	05/01/03	K-6	3,216,489
LOS ANGELES UNIFIED	LOS ANGELES	HMJE-6	53/64733-00-157	05/01/03	7-8	3,196,761
LOS ANGELES UNIFIED	LOS ANGELES	HMJE-7	53/64733-00-158	05/01/03	7-8	3,196,761
LOS ANGELES UNIFIED	LOS ANGELES	HMJE-8	53/64733-00-159	05/01/03	7-8	3,196,761
LOS ANGELES UNIFIED	LOS ANGELES	AEMO-14	53/64733-00-160	05/01/03	K-6	3,216,489
LOS ANGELES UNIFIED	LOS ANGELES	HMJE-9	53/64733-00-161	05/01/03	7-8	1,600,748
LOS ANGELES UNIFIED	LOS ANGELES	JMHP-3	53/64733-00-162	05/01/03	7-8	3,452,339
LOS ANGELES UNIFIED	LOS ANGELES	HMJE-10	53/64733-00-163	05/01/03	7-8	1,600,748
LOS ANGELES UNIFIED	LOS ANGELES	HMJE-11	53/64733-00-164	05/01/03	7-8	3,196,761
LOS ANGELES UNIFIED	LOS ANGELES	JMHP-4	53/64733-00-174	05/01/03	7-8	3,452,339
LOS ANGELES UNIFIED	LOS ANGELES	JMHP-6	53/64733-00-177	05/01/03	7-8	1,728,721
LOS ANGELES UNIFIED	LOS ANGELES	EMHO-1	53/64733-00-178	05/01/03	7-8	6,330,914
LOS ANGELES UNIFIED	LOS ANGELES	EMHO-2	53/64733-00-179	05/01/03	7-8	6,330,914
LOS ANGELES UNIFIED	LOS ANGELES	JMHP-7	53/64733-00-180	05/01/03	7-8	1,728,721
LOS ANGELES UNIFIED	LOS ANGELES	EMHO-3	53/64733-00-181	05/01/03	7-8	6,330,914
LOS ANGELES UNIFIED	LOS ANGELES	EMHO-4	53/64733-00-182	05/01/03	7-8	6,330,914
LOS ANGELES UNIFIED	LOS ANGELES	JMHP-8	53/64733-00-183	05/01/03	7-8	1,728,721
LOS ANGELES UNIFIED	LOS ANGELES	JMHP-9	53/64733-00-184	05/01/03	7-8	1,728,721
LOS ANGELES UNIFIED	LOS ANGELES	JESG-1	53/64733-00-185	05/01/03	K-6	2,806,572
LOS ANGELES UNIFIED	LOS ANGELES	JESG-2	53/64733-00-186	05/01/03	K-6	2,806,572
LOS ANGELES UNIFIED	LOS ANGELES	JESG-3	53/64733-00-187	05/01/03	K-6	2,806,572
LOS ANGELES UNIFIED	LOS ANGELES	JESG-4	53/64733-00-188	05/01/03	K-6	2,806,572
LOS ANGELES UNIFIED	LOS ANGELES	JHBL-1	53/64733-00-189	05/01/03	9-12	4,036,816
LOS ANGELES UNIFIED	LOS ANGELES	AHMO-2	53/64733-00-190	05/01/03	9-12	4,820,839
LOS ANGELES UNIFIED	LOS ANGELES	JHBL-2	53/64733-00-191	05/01/03	9-12	4,036,816
LOS ANGELES UNIFIED	LOS ANGELES	HMJE-12	53/64733-00-192	05/01/03	7-8	3,196,761
LOS ANGELES UNIFIED	LOS ANGELES	HMJE-13	53/64733-00-193	05/01/03	7-8	3,196,761
LOS ANGELES UNIFIED	LOS ANGELES	HMJE-14	53/64733-00-194	05/01/03	7-8	3,196,761
LOS ANGELES UNIFIED	LOS ANGELES	AHMO-3	53/64733-00-195	05/01/03	9-12	4,820,839
LOS ANGELES UNIFIED	LOS ANGELES	HMJE-15	53/64733-00-196	05/01/03	7-8	3,196,761
LOS ANGELES UNIFIED	LOS ANGELES	AHMO-4	53/64733-00-198	05/01/03	9-12	4,820,839
LOS ANGELES UNIFIED	LOS ANGELES	HMJE-17	53/64733-00-199	05/01/03	7-8	1,600,748
LOS ANGELES UNIFIED	LOS ANGELES	JEBL-1	53/64733-00-200	05/01/03	K-6	2,695,172
LOS ANGELES UNIFIED	LOS ANGELES	HMJE-18	53/64733-00-201	05/01/03	7-8	1,600,748
LOS ANGELES UNIFIED	LOS ANGELES	IMFM-20	53/64733-00-202	05/01/03	7-8	3,077,686
LOS ANGELES UNIFIED	LOS ANGELES	HMJE-19	53/64733-00-204	05/01/03	7-8	1,600,748
LOS ANGELES UNIFIED	LOS ANGELES	HEJE-1	53/64733-00-205	05/01/03	K-6	2,600,977
LOS ANGELES UNIFIED	LOS ANGELES	HEJE-2	53/64733-00-206	05/01/03	K-6	2,600,977

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LOS ANGELES UNIFIED	LOS ANGELES	HEJE-4	53/64733-00-208	05/01/03	K-6	2,600,977
LOS ANGELES UNIFIED	LOS ANGELES	HEJE-5	53/64733-00-209	05/01/03	K-6	2,600,977
LOS ANGELES UNIFIED	LOS ANGELES	HEJE-6	53/64733-00-211	05/01/03	K-6	2,600,977
LOS ANGELES UNIFIED	LOS ANGELES	HEJE-7	53/64733-00-212	05/01/03	K-6	2,600,977
LOS ANGELES UNIFIED	LOS ANGELES	IMFM-21	53/64733-00-216	05/01/03	7-8	1,541,125
LOS ANGELES UNIFIED	LOS ANGELES	IMFM-1	53/64733-00-219	05/01/03	7-8	3,077,686
LOS ANGELES UNIFIED	LOS ANGELES	HEJE-8	53/64733-00-220	05/01/03	K-6	2,600,977
LOS ANGELES UNIFIED	LOS ANGELES	IMFM-2	53/64733-00-222	05/01/03	7-8	3,077,686
LOS ANGELES UNIFIED	LOS ANGELES	HEJE-10	53/64733-00-223	05/01/03	K-6	2,600,977
LOS ANGELES UNIFIED	LOS ANGELES	HEJE-11	53/64733-00-224	05/01/03	K-6	2,600,977
LOS ANGELES UNIFIED	LOS ANGELES	IMFM-3	53/64733-00-225	05/01/03	7-8	3,077,686
LOS ANGELES UNIFIED	LOS ANGELES	JEBL-2	53/64733-00-226	05/01/03	K-6	2,695,172
LOS ANGELES UNIFIED	LOS ANGELES	JEBL-3	53/64733-00-227	05/01/03	K-6	2,695,172
LOS ANGELES UNIFIED	LOS ANGELES	JEBL-4	53/64733-00-228	05/01/03	K-6	2,695,172
LOS ANGELES UNIFIED	LOS ANGELES	JEBL-5	53/64733-00-229	05/01/03	K-6	1,351,523
LOS ANGELES UNIFIED	LOS ANGELES	JHSG-1	53/64733-00-230	05/01/03	9-12	4,204,353
LOS ANGELES UNIFIED	LOS ANGELES	JHSG-2	53/64733-00-231	05/01/03	9-12	4,204,353
LOS ANGELES UNIFIED	LOS ANGELES	JHHP-2	53/64733-00-234	05/01/03	9-12	4,195,973
LOS ANGELES UNIFIED	LOS ANGELES	JHHP-3	53/64733-00-235	05/01/03	9-12	4,195,973
LOS ANGELES UNIFIED	LOS ANGELES	JHHP-4	53/64733-00-236	05/01/03	9-12	4,195,973
LOS ANGELES UNIFIED	LOS ANGELES	EMHO-5	53/64733-00-237	05/01/03	7-8	6,330,914
LOS ANGELES UNIFIED	LOS ANGELES	EMHO-7	53/64733-00-240	05/01/03	7-8	3,170,184
LOS ANGELES UNIFIED	LOS ANGELES	EMHO-8	53/64733-00-241	05/01/03	7-8	3,170,184
LOS ANGELES UNIFIED	LOS ANGELES	IMFM-5	53/64733-00-242	05/01/03	7-8	1,541,125
LOS ANGELES UNIFIED	LOS ANGELES	IMFM-4	53/64733-00-243	05/01/03	7-8	1,541,125
LOS ANGELES UNIFIED	LOS ANGELES	EMHO-9	53/64733-00-244	05/01/03	7-8	3,170,184
LOS ANGELES UNIFIED	LOS ANGELES	EELA-5	53/64733-00-253	05/01/03	K-6	5,002,893
LOS ANGELES UNIFIED	LOS ANGELES	EELA-6	53/64733-00-254	05/01/03	K-6	5,002,893
LOS ANGELES UNIFIED	LOS ANGELES	IMFM-8	53/64733-00-257	05/01/03	7-8	3,077,686
LOS ANGELES UNIFIED	LOS ANGELES	JHBL-3	53/64733-00-258	05/01/03	9-12	4,036,816
LOS ANGELES UNIFIED	LOS ANGELES	IMFM-9	53/64733-00-259	05/01/03	7-8	3,077,686
LOS ANGELES UNIFIED	LOS ANGELES	IMFM-10	53/64733-00-261	05/01/03	7-8	3,077,686
LOS ANGELES UNIFIED	LOS ANGELES	IMFM-11	53/64733-00-262	05/01/03	7-8	3,077,686
LOS ANGELES UNIFIED	LOS ANGELES	IMFM-12	53/64733-00-266	05/01/03	7-8	3,077,686
LOS ANGELES UNIFIED	LOS ANGELES	IMFM-13	53/64733-00-268	05/01/03	7-8	3,077,686
LOS ANGELES UNIFIED	LOS ANGELES	IMFM-16	53/64733-00-272	05/01/03	7-8	1,541,125
LOS ANGELES UNIFIED	LOS ANGELES	IMFM-17	53/64733-00-273	05/01/03	7-8	1,541,125
LOS ANGELES UNIFIED	LOS ANGELES	IMFM-19	53/64733-00-274	05/01/03	7-8	1,541,125

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District	County	Project Name	Application Number	50-08 Received Date	Grade Level	Preliminary Apportionment Amount
LOS ANGELES UNIFIED	LOS ANGELES	EMLA-1	53/64733-00-277	05/01/03	7-8	6,265,622
LOS ANGELES UNIFIED	LOS ANGELES	EMLA-2	53/64733-00-279	05/01/03	7-8	6,265,622
LOS ANGELES UNIFIED	LOS ANGELES	EMLA-4	53/64733-00-281	05/01/03	7-8	3,137,487
LOS ANGELES UNIFIED	LOS ANGELES	EMLA-5	53/64733-00-282	05/01/03	7-8	3,137,487
LOS ANGELES UNIFIED	LOS ANGELES	BMNH-6	53/64733-00-283	05/01/03	7-8	3,284,017
LOS ANGELES UNIFIED	LOS ANGELES	EMLA-6	53/64733-00-284	05/01/03	7-8	3,137,487
LOS ANGELES UNIFIED	LOS ANGELES	EHFR-1	53/64733-00-285	05/01/03	9-12	4,286,744
LOS ANGELES UNIFIED	LOS ANGELES	BMNH-7	53/64733-00-286	05/01/03	7-8	3,284,017
LOS ANGELES UNIFIED	LOS ANGELES	EHFR-2	53/64733-00-287	05/01/03	9-12	4,286,744
LOS ANGELES UNIFIED	LOS ANGELES	EHFR-3	53/64733-00-288	05/01/03	9-12	4,286,744
LOS ANGELES UNIFIED	LOS ANGELES	EHFR-4	53/64733-00-289	05/01/03	9-12	4,286,744
LOS ANGELES UNIFIED	LOS ANGELES	EHFR-5	53/64733-00-290	05/01/03	9-12	4,286,744
LOS ANGELES UNIFIED	LOS ANGELES	BMNH-9	53/64733-00-294	05/01/03	7-8	1,644,439
LOS ANGELES UNIFIED	LOS ANGELES	EEHO-1	53/64733-00-297	05/01/03	K-6	5,053,997
LOS ANGELES UNIFIED	LOS ANGELES	EEHO-2	53/64733-00-298	05/01/03	K-6	5,053,997
LOS ANGELES UNIFIED	LOS ANGELES	EEHO-3	53/64733-00-299	05/01/03	K-6	5,053,997
LOS ANGELES UNIFIED	LOS ANGELES	BMNH-10	53/64733-00-301	05/01/03	7-8	1,644,439
LOS ANGELES UNIFIED	LOS ANGELES	HEJE-12	53/64733-00-305	05/01/03	K-6	2,600,977
LOS ANGELES UNIFIED	LOS ANGELES	HEJE-13	53/64733-00-306	05/01/03	K-6	2,600,977
LOS ANGELES UNIFIED	LOS ANGELES	HEJE-15	53/64733-00-308	05/01/03	K-6	2,600,977
LOS ANGELES UNIFIED	LOS ANGELES	HEJE-16	53/64733-00-309	05/01/03	K-6	2,600,977
LOS ANGELES UNIFIED	LOS ANGELES	HEJE-17	53/64733-00-310	05/01/03	K-6	2,600,977
LOS ANGELES UNIFIED	LOS ANGELES	HMGA-1	53/64733-00-316	05/01/03	7-8	4,791,892
LOS ANGELES UNIFIED	LOS ANGELES	HMGA-2	53/64733-00-317	05/01/03	7-8	2,399,479
LOS ANGELES UNIFIED	LOS ANGELES	HMGA-3	53/64733-00-318	05/01/03	7-8	2,433,272
LOS ANGELES UNIFIED	LOS ANGELES	HMGA-4	53/64733-00-319	05/01/03	7-8	2,399,479
LOS ANGELES UNIFIED	LOS ANGELES	BMNH-11	53/64733-00-321	05/01/03	7-8	1,644,439
LOS ANGELES UNIFIED	LOS ANGELES	BEPO-6	53/64733-00-327	05/01/03	K-6	3,155,946
LOS ANGELES UNIFIED	LOS ANGELES	BEPO-7	53/64733-00-328	05/01/03	K-6	3,155,946
LOS ANGELES UNIFIED	LOS ANGELES	BEPO-2	53/64733-00-331	05/01/03	K-6	3,155,946
LOS ANGELES UNIFIED	LOS ANGELES	BEPO-3	53/64733-00-332	05/01/03	K-6	3,155,946
LOS ANGELES UNIFIED	LOS ANGELES	BEPO-4	53/64733-00-333	05/01/03	K-6	3,155,946
LOS ANGELES UNIFIED	LOS ANGELES	BEPO-5	53/64733-00-334	05/01/03	K-6	3,155,946
LOS ANGELES UNIFIED	LOS ANGELES	BESF-1	53/64733-00-335	05/01/03	K-6	2,183,988
LOS ANGELES UNIFIED	LOS ANGELES	BESF-2	53/64733-00-336	05/01/03	K-6	2,183,988
LOS ANGELES UNIFIED	LOS ANGELES	BESF-3	53/64733-00-337	05/01/03	K-6	2,183,988
LOS ANGELES UNIFIED	LOS ANGELES	BESF-4	53/64733-00-338	05/01/03	K-6	2,183,988
LOS ANGELES UNIFIED	LOS ANGELES	BHSF-1	53/64733-00-339	05/01/03	9-12	3,268,031

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State Allocation Board Meeting, October 24, 2007

District	County	Project Name	Application Number	50-08 Received Date	Grade Level	Preliminary Apportionment Amount
LOS ANGELES UNIFIED	LOS ANGELES	BHSF-2	53/64733-00-340	05/01/03	9-12	3,268,031
LOS ANGELES UNIFIED	LOS ANGELES	BHSF-3	53/64733-00-341	05/01/03	9-12	3,268,031
LOS ANGELES UNIFIED	LOS ANGELES	BHSY-1	53/64733-00-342	05/01/03	9-12	3,046,655
LOS ANGELES UNIFIED	LOS ANGELES	BHSY-2	53/64733-00-343	05/01/03	9-12	3,046,655
LOS ANGELES UNIFIED	LOS ANGELES	BHSY-3	53/64733-00-344	05/01/03	9-12	3,046,655
LOS ANGELES UNIFIED	LOS ANGELES	BHSY-4	53/64733-00-345	05/01/03	9-12	3,046,655
LOS ANGELES UNIFIED	LOS ANGELES	BHSY-5	53/64733-00-346	05/01/03	9-12	3,046,655
LOS ANGELES UNIFIED	LOS ANGELES	BHSY-6	53/64733-00-347	05/01/03	9-12	3,046,655
LOS ANGELES UNIFIED	LOS ANGELES	BHSY-7	53/64733-00-348	05/01/03	9-12	3,046,655
LOS ANGELES UNIFIED	LOS ANGELES	BHSY-8	53/64733-00-349	05/01/03	9-12	3,046,655
MONTEBELLO UNIFIED	LOS ANGELES	MONTEBELLO INTERMEDIATE	53/64808-00-016	04/29/03	7-8	4,296,055
MONTEBELLO UNIFIED	LOS ANGELES	MONTEBELLO HIGH	53/64808-00-019	04/29/03	9-12	3,902,074
GRAND TOTAL						\$887,324,470

REPORT OF THE EXECUTIVE OFFICER  
State Allocation Board Meeting, October 24, 2007

OFFICE OF PUBLIC SCHOOL CONSTRUCTION WORK PLAN FOR  
IMPROVING THE FINANCIAL HARDSHIP PROGRAM

PURPOSE OF REPORT

To present an implementation plan that addresses the Macias Consulting Group's (MCG) findings on the Financial Hardship (FH) Program.

DESCRIPTION

The Office of Public School Construction (OPSC) hired MCG to conduct a performance audit of the FH Program and provide recommendations to improve administration of the program. The State Allocation Board received the Consultant's findings and recommendations at its September 2007 meeting. The attached work plan will implement those recommendations.

RECOMMENDATION

Accept the report.

BOARD ACTION

In considering this item, the State Allocation Board on October 24, 2007 accepted the report with the following to be added to the Advisory Panel:

- FICMAT
- Assistant Executive Officer
- Fiscal Services Staff with the California Department of Education

# OPSC

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## Work Plan for Improving the Financial Hardship Program

**Contributors:**

Rob Cook: Executive Officer

Lori Morgan: Deputy Executive Officer

Dave Zian: Chief, Fiscal Services

Lisa Silverman: Operations Manager, Fiscal Services

Jason Hernandez: Audit Supervisor, Fiscal Services

## Executive Summary

The Office of Public School Construction (OPSC) contracted with the Macias Consulting Group (MCG) to conduct a performance audit of the Financial Hardship (FH) Program. The Macias consultants provided a number of recommendations to improve the program:

1. Revamp the FH framework.
2. Establish training for applicants.
3. Develop and implement program policies.
4. Revamp worksheets and instructions.
5. Establish information system safeguards.
6. Implement process improvements and training.

The OPSC will execute this work plan to implement these recommendations. Adoption of several recommendations is complete or underway, but the full complement of recommendations will take several months and approximately \$97,000 in one-time costs and \$44,000 in on-going costs to implement. These changes will streamline and simplify the FH review process for OPSC customers, improve the integrity of the program, and ensure an equitable distribution of hardship funding to qualifying school districts.

## Recommendation #1: Revamp FH Framework

### Recommendations:

Establish an advisory panel comprised of Legislative Analyst Office (LAO) and Office of Statewide Audits and Evaluations (OSAE) representatives to prepare the framework for the revised model. Once established, the advisory panel will need to address the following issues:

- a. Propose revised FH Program regulations to review the overall fiscal health of the applicant.
- b. Establish key fiscal health ratios to be submitted by the applicant that show revenue availability, debt levels, liability levels, and operating margins. The financial ratios should be based on the most recent audited financial statements and a current trial balance report.
- c. Develop an index of State and application contribution levels based on the fiscal health assessment of the applicant.
- d. Approve OPSC revamped FH Program instructions that provide guidance to the applicants on the FH certification program and funding allocation process.
- e. Establish performance requirements for the review of FH certification applications upon submission of complete applications (e.g., 30 or 60 days).
- f. Determine whether applicants should submit FH certifications for each project effectively eliminating the six-month effective period of the certification.

Work Plan for Improving the Financial Hardship Program

g. Seek an independent firm or expert to determine whether vulnerabilities exist within the revised model.

Actions Needed for Recommendation #1:

Assemble Advisory Panel	Completed
Revamp FH model	Underway
Beta test revised model	November 2007
Discuss the revised model at the Implementation Committee	December 2007
Follow-up discussion at the Implementation Committee	January 2008
Independent evaluation of model	February 2008
Revised regulations to State Allocation Board	March 2008

Recommendation #2: Establish Training for Applicants

Recommendation:

Establish a formal FH training program for prospective applicants to be administered once a year. This training program should include information pertaining to the application receipt, processing, and decision-making criteria used by OPSC reviewers.

Actions Needed for Recommendation #2:

Establish Training for Applicants	June 2008
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Recommendation #3: Develop and Implement Program Policies

Recommendations:

Develop policies and procedures that trigger OPSC mid-level and/or executive management resolution of issues raised by an applicant or by the OPSC reviewer's analysis of the FH application. These triggers could include the identification of excessive fund transfers to the applicant's General Fund, restrictions found on certificates of participation, a school district's utilization of legal services, and issues that require interpretation or application of regulations.

Add a component to the FH Review Process to require OPSC reviewers to visit school districts when circumstances are warranted. These circumstances can include unclear financial information, discrepancies found in the financial data, or the absence of supporting documentation on the FH application.

Require mid-level managers to provide bi-monthly performance monitoring key performance metrics, such as the timeliness of the review process, adherence to internal controls and review outcomes of the FH review process (e.g., percent of withdrawals, denials, and approval rates).

Establish an advisory panel comprised of LAO, OSAE representatives, OPSC mid-and executive-level management, and an independent auditor that meets monthly to validate the results of the FH certification review and provide approval of eligibility and funding contributions.

Work Plan for Improving the Financial Hardship Program

Actions Needed for Recommendation #3:

Establish program policies to elevate issues	Adopted Sept. 2007
Establish policy for on-site reviews	Adopted Sept. 2007
Establish bi-monthly performance monitoring	Adopted Sept. 2007
Advisory panel to review revised program and approve FH applications	Upon adoption of regulations

Recommendation #4: Revamp the Application and Worksheets

Recommendations:

Revamp the FH Checklist to reflect the revised review model, including updating instructions for each FH worksheet required.

Actions Needed for Recommendation #4:

Revamp the current program FH checklist	Adopted Oct. 2007
Revamp the current program FH worksheets	December 2007
Update the revised program FH checklist/worksheets	Available upon adoption of regulations

Recommendation #5: Establish Information System Safeguards

Recommendations:

Restrict access to information systems so that upon completion of the review of an application, the record cannot be overwritten with information from another application.

Implement information system-edit checks to require OPSC reviewers to enter required database information.

Add system tables to perform and validate contribution calculations for the application and final expenditure report submitted by the school district at the completion of the construction project.

Actions Needed for Recommendation #5:

Establish information system safeguards for current program	January 2008
Create new information program system for revised program	Available upon adoption of regulations

Recommendation #6: Process Improvements/Training

Recommendations:

The FH files were put together in a manner that did not provide a full audit trail of data used in completing the FH funding analysis. The FH review packages lacked cross-referencing, an index for the working papers, and there were no trail documenting when issues (e.g., high-level or policy issues) were elevated to management for recommendations.

## Work Plan for Improving the Financial Hardship Program

At the time of the external management review, there were no staff members on the FH review team with outside audit experience. Staff with prior experience in accounting or financial auditing would better understand the concepts of analyzing financial data and what constitutes a complete audit. Additionally, the OPSC does not have a formal training process for new and current staff members.

### Actions Needed for Recommendation #6:

Standardize format for FH review files

Adopted Aug. 2007

Transition of staff members with prior audit/accounting experience

Adopted Sept. 2007

Training in accounting and financial reviews

Commencing

November 2007

### Resources Needed:

- Contract with an outside consulting firm to review FH Program changes.

Estimated one-time cost to assess the risk of the new program: \$25,000

Estimated one-time cost to develop training for OPSC reviewers: \$8,000

- Engage an outside audit firm to perform monthly reviews with the FH Committee.

Estimated annual cost: \$24,000

- Multi-level training program for in-house staff.

One-time cost to upgrade skill set of staff for FY 07/08: \$17,000

One-time cost to upgrade skill set of staff for FY 08/09: \$38,000

Estimated annual cost for on-going training: \$20,000

- Authorize overtime over the next two months to address the FH review workload.

One-time cost: \$9,000

- Redirect and rotate School Facility Program auditors onto the FH review team.

Estimated cost: Non-substantial

### Total Costs:

- Total estimated implementation cost for these program improvements is \$141,000. This includes \$97,000 in one-time costs and \$44,000 in annual costs.

REPORT OF THE EXECUTIVE OFFICER  
State Allocation Board Meeting, October 24, 2007

GRANT ADEQUACY METHODOLOGY

PURPOSE OF REPORT

To present an update on the Macias Consulting Group's (MCG) development of the grant adequacy methodology.

DESCRIPTION

The MCG was hired by the Office of Public School Construction to conduct an independent analysis of the cost to construct schools today and to determine grant adequacy as part of the provisions under Assembly Bill 127, Chapter 35, Statutes of 2006 (Perata/Nunez). The MCG has developed a proposed methodology to complete their analysis on the costs to construct schools, which was presented in a publicly noticed open meeting on October 5, 2007. At the meeting, public comments were heard on the proposed methodology from the Grant Adequacy Ad Hoc Committee and a wide array of other interested parties. In addition, written comments were accepted through October 10, 2007. The MCG is present and will provide an update to the State Allocation Board.

BOARD ACTION

The State Allocation Board on October 24, 2007 requested Staff to address at a future meeting the transparency issue where the data which may be used in the analysis would have to be purchased directly from McGraw-Hill.

REPORT OF THE EXECUTIVE OFFICER  
State Allocation Board Meeting, October 24, 2007

LEGISLATIVE UPDATE

PURPOSE OF REPORT

To provide the State Allocation Board (SAB) with an update regarding recent legislation.

BACKGROUND

At the September 2007 meeting, the SAB requested information regarding the latest chaptered bills that relate to the programs administered by the SAB.

STAFF COMMENTS

The Attachment provides a summary of the chaptered bills and preliminary comments by Office of Public School Construction Staff. It is not a comprehensive study of the bills' ramifications and program implications. Comprehensive, program-specific evaluations are currently in progress.

RECOMMENDATION

Accept this report.

The State Allocation Board accepted the report on October 24, 2007.

**ATTACHMENT**  
State Allocation Board Meeting, October 24, 2007

BILL	SUMMARY	PRELIMINARY COMMENTS
<p>AB 123 (Nunez) Chapter 260</p>	<p><b>Parklands: Westside Park.</b> This bill authorizes the City of Huntington Park to transfer to the Los Angeles Unified School District up to 3.8 acres of parkland in Westside Park (in the City of Huntington Park, Los Angeles County) and the facilities on that land if certain conditions are met. The bill requires, as one of the conditions, that the transferred property be used only for a school facility.</p>	<p>This bill does not require any regulatory, or other, action from the State Allocation Board (SAB).</p>
<p>AB 373 (Wolk) Chapter 670</p>	<p><b>Local government: community facilities improvement.</b> This bill specifies that whenever the SAB shares in any part of the cost of school facilities, the ownership of those facilities and the real property that the facilities are located upon are held as provided in the Leroy F. Greene School Facilities Act of 1998, and would eliminate the requirement that the community facilities district make reductions in bonds or special taxes. The bill also provides that the resolution to incur bonded indebtedness may provide for cost sharing by the SAB and for appropriate adjustment of the principal amount of any bond issue or issues and of the rate and method of apportionment of any special tax.</p>	<p>This bill does not require any regulatory, or other, action from the SAB.</p>
<p>AB 641 (Torrico) Chapter 603</p>	<p><b>Developer fees.</b> Existing law prohibits a local agency that imposes fees on a residential development for the construction of public improvements or facilities from requiring the payment of those fees until the date of the final inspection or the date the certificate of occupancy is issued, whichever comes first. The agency can require the payment of the fees earlier when either 1) the agency has established an account and appropriated funds and has adopted a construction schedule prior to the final inspection, or 2) the fees are to reimburse the agency. This bill provides that the exemption mentioned above does not apply to low-income developments, but it still applies to fees levied for school construction purposes.</p>	<p>This bill does not require any regulatory, or other, action from the SAB.</p>
<p>AB 1014 (Bass) Chapter 691</p>	<p><b>School facilities.</b> This bill authorizes the SAB to supplement the cohort projection method with the following: modified weighting mechanisms developed and applied in consultation with the Demographic Research Unit of the Department of Finance, if the SAB determines that they best represent the enrollment trends of the district; and an adjustment to reflect the effects of changes in birth rates on kindergarten and first grade enrollment. The bill authorizes school districts to submit an enrollment projection for either a fifth year or 10th year beyond the fiscal year in which the application is made. A district that bases its enrollment projection on a high school attendance area may use pupil residence in that attendance area to calculate enrollment. The SAB is authorized to adopt regulations to specify the format and certification requirements for a district that submits residency data.</p>	<p>This bill requires the development and implementation of new regulations, calculations, and verification methods necessary to determine adjustments to the new construction baseline eligibility for districts.  The Office of Public School Construction (OPSC) is developing a plan for the implementation of this bill.</p>

(Continued on Page Two)

BILL	SUMMARY	PRELIMINARY COMMENTS
AB 1368 (Mullin) Chapter 334	<p><b>School bonds: school and community college districts.</b> This bill authorizes a school district to issue notes that mature within a period not to exceed five years, extending the period from one year.</p>	<p>The bill does not directly impact SAB programs.</p>
SB 13 (Wyland) Chapter 519	<p><b>School facilities funding process: career technical education facilities.</b> This bill requires the California Department of Education (CDE) to include the following questions in the application for new construction plan approval: "Does the project include a school that will have a career technical education component and classroom space to accommodate that career technical education program? If not, how will the school district meet the needs for career technical education of pupils housed by the proposed new school facilities? How is the need for vocational and career technical facilities, as required pursuant to Section 17070.955 of the Education Code, identified?" The bill also requires the CDE to maintain the answers in a publicly accessible manner and to provide a summary of the responses to the OPSC on a quarterly basis. The OPSC shall post each summary on its Web site as soon as possible after receiving it.</p>	<p>The bill requires the OPSC to post the summaries of the answers to the new questions on its Web site after receiving the summaries from the CDE.</p>
SB 132 (Senate Education Committee) Chapter 730	<p><b>Education.</b> This bill makes various clarifying and technical changes to the Education Code and also deletes obsolete provisions from the Code. Among the changes is the repeal of the January 1, 2008 sunset date regarding the annual new construction grant increase of seven percent for elementary and middle school pupil grants and four percent for high school pupils grants</p>	<p>This bill extends the new construction per-pupil grant increases beyond January 1, 2008 to provide additional funding for new construction projects.</p>
SB 614 (Simitian) Chapter 471	<p><b>Public works: design-build contracts.</b> This bill lowers from \$10 million to \$2.5 million the contract amount for the design and construction of a school facility in order for a district to be eligible to enter into a design-build contract. This authority is extended from January 1, 2010 to January 1, 2014. The bill prohibits retention proceeds withheld by the district from the design-build entity to exceed five percent if a performance and payment bond is required in the solicitation of bids.</p>	<p>This bill expands and extends opportunities for school districts to enter into design-build contracts.  This bill does not require any regulatory, or other, action from the SAB.</p>

REPORT OF THE EXECUTIVE OFFICER  
State Allocation Board Meeting, October 24, 2007

RESCISSION OF SCHOOL FACILITIES  
NEEDS ASSESSMENT GRANTS

PURPOSE OF REPORT

To present School Facilities Needs Assessment Grant Program (Program) apportionments for rescission.

BACKGROUND

Senate Bill 6, Chapter 899, Statutes of 2004 (Alpert) established the Program and appropriated \$25 million for eligible schools to perform a one-time comprehensive assessment of school facilities needs. Pursuant to Education Code (EC) Section 17592.70(b), eligible schools were defined as school sites ranked in deciles one to three, inclusive, on the 2003 base Academic Performance Index (API) for each school newly constructed prior to January 1, 2000.

Pursuant to EC Section 17592.70(b), the California Department of Education (CDE) published a list of schools ranked in deciles one to three, inclusive, based on the 2003 base API. This list of schools was utilized to apportion funds to eligible districts at the February 2005 State Allocation Board (SAB) meeting. However, the Office of Public School Construction (OPSC) developed a certification process that served as a mechanism to identify any schools that did not qualify for the assessment based on the year of construction of the facilities. Districts were required to submit the certifications prior to any Program fund release; and, any grants that were apportioned for ineligible sites were to be rescinded at a future SAB meeting.

DESCRIPTION

The districts listed on the Attachment (with one exception mentioned below) certified to the OPSC that the schools listed are not eligible to receive funding under the *Williams Settlement Legislation* as the schools were newly built after January 1, 2000. Therefore, the Program apportionments for these school sites must be rescinded. The list is comprised of 55 school sites located in 44 school districts with a total of \$499,170 to be rescinded. These apportionments were never released to the districts, thus no funds are owed to the State.

On the Attachment there is one exception. The Kelseyville Unified School District received an apportionment for Gard Street Elementary School, which was closed effective September 7, 2004. Therefore, the District is not eligible to receive Program funding for this school site and the apportionment must be rescinded. Since the funds were not released to the District, no funds are owed to the State.

AUTHORITY

EC Section 17592.70(b) provides for Program funds to be awarded to districts on behalf of school sites ranked in deciles one to three, inclusive, on the 2003 base API for each newly constructed prior to January 1, 2000.

Program Regulation Section 1859.311(b) states "...a school site meeting all of the following is eligible for the School Facilities Needs Assessment Grant Program:

- (a) The school was identified on the list published by the CDE pursuant to EC Section 17592.70(b).
- (b) The school was newly constructed prior to January 1, 2000."

(Continued on Page Two)

STAFF COMMENTS

The districts have certified that the schools listed on the Attachment were ineligible for its Program apportionment. All districts have agreed that the apportionments on the Attachment should be rescinded.

RECOMMENDATION

Rescind the apportionments, in the amount of \$499,170, as listed on the Attachment.

This Item was approved by the State Allocation Board on October 24, 2007.

**ATTACHMENT**

**Rescission of School Facilities Needs Assessment Grants  
SCHOOL FACILITY NEEDS ASSESSMENT GRANT PROGRAM  
State Allocation Board Meeting, October 24, 2007**

District Code	County	District	School Name	Apportionment for the Site
61259	ALAMEDA	OAKLAND UNIFIED	International Community	\$7,500
61259	ALAMEDA	OAKLAND UNIFIED	Rudsdale Academy	\$7,500
61259	ALAMEDA	OAKLAND UNIFIED	Urban Promise Academy	\$7,500
61614	COLUSA	PIERCE JOINT UNIFIED	Johnson (Lloyd G.) Jr. High	\$7,500
61697	CONTRA COSTA	JOHN SWETT UNIFIED	Hillcrest Elementary	\$7,500
61796	CONTRA COSTA	WEST CONTRA COSTA UNIFIED	Lovonya DeJean Middle	\$9,500
62125	FRESNO	COALINGA/HURON JOINT UNIFIED	Coalinga Middle	\$7,500
62125	FRESNO	COALINGA/HURON JOINT UNIFIED	Huron Middle	\$7,500
62166	FRESNO	FRESNO UNIFIED	Greenberg (David L.) Elementary	\$9,220
62166	FRESNO	FRESNO UNIFIED	Terronez (Elizabeth) Middle	\$11,050
62265	FRESNO	KINGS CANYON JOINT UNIFIED	Citrus Middle	\$7,500
63214	IMPERIAL	SAN PASQUAL VALLEY UNIFIED	San Pasqual Middle	\$7,500
64014	LAKE	KELSEYVILLE UNIFIED	Gard Street Elementary	\$7,500
64477	LOS ANGELES	EASTSIDE UNION	Cole (Gifford C.) Middle	\$10,190
64725	LOS ANGELES	LONG BEACH UNIFIED	Educational Partnership High (Ind.)	\$8,020
64733	LOS ANGELES	LOS ANGELES UNIFIED	Columbus Avenue Elementary	\$7,500
64857	LOS ANGELES	PALMDALE ELEMENTARY	Buena Vista Elementary	\$8,980
64857	LOS ANGELES	PALMDALE ELEMENTARY	Golden Poppy	\$7,500
64907	LOS ANGELES	POMONA UNIFIED	Pueblo Elementary	\$13,440
64907	LOS ANGELES	POMONA UNIFIED	Village Academy High @ Indian Hill	\$7,500
65748	MERCED	LIVINGSTON UNION	Livingston Middle	\$8,530
65821	MERCED	PLANADA ELEMENTARY	Cesar E. Chavez Middle	\$7,500
65961	MONTEREY	ALISAL UNION ELEMENTARY	Dr. Martin Luther King, Jr. Elementary	\$7,500
65961	MONTEREY	ALISAL UNION ELEMENTARY	Loya (Oscar F.) Elementary	\$7,580
66159	MONTEREY	SALINAS UNION HIGH	La Paz Middle	\$10,730
66423	ORANGE	ANAHEIM CITY	Mann Elementary	\$10,610
66464	ORANGE	CAPISTRANO UNIFIED	Kinoshita Elementary	\$7,500
66928	PLACER	ROSEVILLE JOINT UNION HIGH	Independence High (Alter.)	\$7,500
67124	RIVERSIDE	MORENO VALLEY UNIFIED	Vista del Lago High	\$16,750
67199	RIVERSIDE	PERRIS ELEMENTARY	Enchanted Hills Elementary	\$7,500
67439	SACRAMENTO	SACRAMENTO CITY UNIFIED	Capital City (Independent Study)	\$7,500
67439	SACRAMENTO	SACRAMENTO CITY UNIFIED	Cesar Chavez Intermediate	\$7,500
67710	SAN BERNARDINO	FONTANA UNIFIED	Sierra Lakes Elementary	\$7,500
67710	SAN BERNARDINO	FONTANA UNIFIED	Ted Porter Elementary	\$7,500
67876	SAN BERNARDINO	SAN BERNARDINO CITY UNIFIED	Arroyo Valley High	\$30,910
68338	SAN DIEGO	SAN DIEGO CITY UNIFIED	Youth Opportunities Unlimited (Alt.)	\$7,500
68411	SAN DIEGO	SWEETWATER UNION HIGH	San Ysidro High	\$11,570

**ATTACHMENT**

**Rescission of School Facilities Needs Assessment Grants  
SCHOOL FACILITY NEEDS ASSESSMENT GRANT PROGRAM  
State Allocation Board Meeting, October 24, 2007**

District Code	County	District	School Name	Apportionment for the Site
68452	SAN DIEGO	VISTA UNIFIED	Vista Focus Academy	\$7,500
68676	SAN JOAQUIN	STOCKTON UNIFIED	Huerta (Dolores) Elementary	\$7,500
69195	SANTA BARBARA	GOLETA UNION ELEMENTARY	Isla Vista Elementary	\$7,500
69484	SANTA CLARA	GILROY UNIFIED	Eliot Elementary	\$7,500
69666	SANTA CLARA	SAN JOSE UNIFIED	Empire Gardens Elementary	\$7,500
69666	SANTA CLARA	SAN JOSE UNIFIED	Ernesto Galarza Elementary	\$7,500
69666	SANTA CLARA	SAN JOSE UNIFIED	Mann (Horace) Elementary	\$7,500
70581	SOLANO	VALLEJO CITY UNIFIED	Mare Island Elementary	\$7,500
71134	STANISLAUS	KEYES UNION ELEMENTARY	Barbara Spratling Middle	\$7,500
71217	STANISLAUS	PATTERSON JOINT UNIFIED	Creekside Middle	\$10,820
71902	TULARE	EARLIMART ELEMENTARY	Alila Elementary	\$7,500
72546	VENTURA	OXNARD UNION HIGH	Pacifica High	\$28,700
72561	VENTURA	RIO ELEMENTARY	Rio del Norte Elementary	\$7,570
73619	MERCED	GUSTINE UNIFIED	Gustine Elementary	\$7,500
73932	KINGS	REEF-SUNSET UNIFIED	Tamarack Elementary	\$7,500
75077	SAN BERNARDINO	APPLE VALLEY UNIFIED	Apple Valley Alternative Education	\$7,500
75390	SONOMA	HEALDSBURG UNIFIED	Fitch Mountain Elementary	\$7,500
75572	STANISLAUS	WATERFORD UNIFIED	Waterford High	\$7,500
<b>Grand Total</b>				<b>\$499,170</b>