

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, September 26, 2007

DEFERRED MAINTENANCE PROGRAM
REGULATION AMENDMENTS

PURPOSE OF REPORT

To request:

1. Adoption of proposed amendments to the Deferred Maintenance Program (DMP) regulations.
2. Authorization to file the proposed regulations with the Office of Administrative Law (OAL).

BACKGROUND

A discrepancy was discovered in the language of Education Code (EC) Section 17582 and DMP Regulation Section 1866.4.3 regarding the source of funds from which districts could deposit their DMP matching share.

Further, due to the implementation of the Charter School Facilities Program (CSFP), language needs to be added to DMP Regulation Section 1866.13 and the *Extreme Hardship Funding Application* regarding the duplication of applications.

AUTHORITY

EC Section 17582 directs the Board to establish procedures and policies necessary for the administration of the DMP.

Article 12, Sections 17078.52 through 17078.66 of the EC establish and govern the CSFP within the School Facility Program.

STAFF COMMENTS

The current regulations indicate that the contribution must be from any non-restricted fund; however, the law is less prescriptive. Staff recommends amending the DMP Regulation Section 1866.4.3, as shown on the Attachment, to correct the discrepancy.

A minor amendment to the DMP Regulations is necessary as a result of Assembly Bill 127, Chapter 35, Statutes of 2006 (Perata and Nunez) to address the circumstances when extreme hardship projects involve work from other programs.

The proposed changes to the DMP regulations were presented to the SAB Implementation Committee at its September 2007 meeting and no objections were made. Staff recommends approval of the proposed amendments as provided on the Attachment. Upon adoption by the Board, the Office of Public School Construction (OPSC) will submit these regulations to the OAL.

RECOMMENDATIONS

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

This Item was approved by the State Allocation Board on September 26, 2007.

ATTACHMENT

PROPOSED AMENDMENTS TO THE DEFERRED MAINTENANCE PROGRAM REGULATIONS State Allocation Board Meeting, September 26, 2007

Amend Regulation Section 1866.4.3

Section 1866.4.3 District Deposit of Matching Share.

To receive the basic grant pursuant to Section 1866.4.2, districts are required to deposit a matching share into their District Deferred Maintenance Fund established pursuant to EC Section 17582(a). The State will match this amount dollar-for-dollar not to exceed the basic grant apportioned by the Board. The district's deposit must be a cash contribution from ~~any non-restricted fund~~, any source not otherwise prohibited by law or regulation, unmatched carryover pursuant to Section 1866.4.4, or from the district's restricted Ongoing and Major Maintenance Account.

If the district has established an Ongoing and Major Maintenance Account under the provisions of EC Section 17070.75(b)(1), any annual deposits in excess of 2 ½ percent into that fund may be used towards the district's matching share. Districts may either:

(a) Report the excess amount in the Ongoing and Major Maintenance Account being used towards the match on the Form SAB 40-21. These funds are not available for eligible deferred maintenance projects listed on the Form SAB 40-20, until transferred into the District Deferred Maintenance Fund.

(b) Transfer the excess funds from the Ongoing and Major Maintenance Account to the District Deferred Maintenance Fund and report the total dollar matching share on the Form SAB 40-21. These funds are available to the district to perform work on the Form SAB 40-20.

Note: Authority cited: Section 15503, Government Code

Reference: Sections 17070.75, 17582, and 17584, Education Code.

Amend Regulation Section 1866.13

Section 1866.13. Duplication of Applications.

If the district's application for an extreme hardship grant involves proposed work also included in a SFP modernization project currently included on the SFP Modernization Unfunded List or the OPSC Modernization Workload List or in a CSFP Rehabilitation project, the district must certify that, after reducing the work to be funded with the extreme hardship grant from the SFP modernization or CSFP Rehabilitation project, the cost estimate for the remaining work in the modernization or CSFP Rehabilitation project is at least 60 percent of the total SFP or CSFP grant amount provided by the state and the district's matching share. The cost estimate may not include planning, tests, inspection or furniture or equipment. If the district cannot make this certification, the SFP modernization or CSFP Rehabilitation project must be withdrawn prior to the release of any extreme hardship grants to the district.

If the district's application for FRP grants, SFP modernization grants, or CSFP Rehabilitation grants involves work currently included on the district's Form SAB 40-20, pursuant to Education Code Section 17591, the district must eliminate the projects that will be funded with the FRP grants, SFP modernization grants, or CSFP Rehabilitation grants from the Form prior to the release of any FRP grants, SFP modernization grants, or CSFP Rehabilitation grants to the district.

Note: Authority cited: Section 15503, Government Code.

Reference: Sections 17582, 17587 and 17591, Education Code.

GENERAL INFORMATION

This Form is used by a district to request Deferred Maintenance Program Extreme Hardship Grant funding for a critical project listed on the Five Year Plan, Form SAB ~~40-1~~ (New 04/02) ~~40-20~~ (Rev 01/05) that meets the criteria prescribed in Regulation Section 1866.5. The Office of Public School Construction (OPSC) will accept complete applications on a continuous basis; those received prior to the last working day in June are ensured consideration for funding by the State Allocation Board (SAB) in that fiscal year's funding cycle.

The OPSC processes complete applications based on the date received. The following documents must be submitted with this Form (refer to Regulation Section 1866.5.1):

- A report from either a licensed architect or structural engineer detailing how this project qualifies for an extreme hardship grant as defined in Education Code Section 17587 and Regulation Section 1866.5, a recommended solution to correct the problem, and a detailed description of the work being performed to mitigate the problem.
- A detailed cost estimate prepared by a licensed architect or contractor showing quantity and cost breakdowns supporting the construction costs listed on the *Extreme Hardship Funding Application*, Form SAB 40-22 (New 04/02) (Rev 10/07). The report and cost estimate shall be subject to review by the OPSC for conformance with the Saylor Current Construction Cost Publication and, at the OPSC's discretion, the Division of the State Architect (DSA). Items in the cost estimate shall be limited to only the minimum work necessary to mitigate the problem.
- Plot plan identifying the location of the work and 1A diagrams if available.
- A revised *Five Year Plan*, Form SAB 40-20 (New 04/02) including the critical project on the plan and identifying the project in Column 9 of the Form.

The amount of the extreme hardship grant and district contribution for the project shall be determined by the criteria outlined in Regulation

Section 1866.5.2. Critical projects that meet the criteria for an extreme hardship grant will be presented to the SAB on a continuous basis throughout the fiscal year. If funding is not available projects will be placed on an unfunded list based on priority order and on the date the complete application was received by the OPSC (refer to Regulation Section 1866.5.3).

Districts are advised that the OPSC must determine the critical project meets the criteria set in Education Code 17587 and Regulation Sections 1866.5 through 1866.5.3 to receive an extreme hardship grant, prior to construction costs being incurred on the project. Reimbursement of eligible architect or engineering expenditures will be allowed up to five months prior to the date that the hardship project is accepted for processing by the OPSC (refer to Regulation Section 1866.5.4).

DRAFT

SPECIFIC INSTRUCTIONS

1. **Type of Application** - Check the appropriate box that indicates the type of application the district is filing. A district with only one school may include other essential work in the application without being subject to the contribution requirements set forth in Regulation Section 1866.5.2. If the district checks the new project with other essential work box, the district will need to submit a *Extreme Hardship Funding Application*, Form SAB 40-22 (New 04/02) (Rev 10/07) for each project category marked in Section 2 and a Form SAB 40-22 combining all the project information onto one form.
2. **Type of Project** - Check the appropriate box for the type of work the district is applying.
3. **Project Priority** - Indicate if the district is requesting Priority One Status for the project pursuant to Regulation Section 1866.5.3(c).
4. **Project Funding Order** - If the district has other critical project(s) awaiting funding on the Deferred Maintenance Extreme Hardship Unfunded List, prioritize the order of this application in relation to those project(s) for purposes of funding and district contribution requirements. (Refer to Regulation Section 1866.5.2 and 1866.5.3.)
5. **Project Duplication** - Refer to Regulation Section 1866.13.

Enter the School Facility Program (SFP) modernization or [Charter School Facilities Program \(CSFP\) Rehabilitation](#) application number(s) if any, if work included in those application(s) is also included in the total project cost of the critical project amount requested in Section 3 and the district cannot certify the SFP or [CSFP Rehabilitation](#) project(s) still meets the 60 percent commensurate test requirement in the SFP or [CSFP Rehabilitation](#) after deducting the duplicative work included in this application.

6. **Project Costs - Enter:**

- I. Planning
 - a. Up to 12 percent of the construction costs reported in IIc are allowable.
 - b. If the critical project contains work that requires DSA approval, the fee charged by the DSA to review the plans is allowable.
 - c. Other planning costs associated with the project that may be allowable, provided an explanation of the costs is given.
 - d. The total of a through c.

- II. Construction

- a. The repair or replacement costs associated with the project. Eligible construction costs shall be limited to the minimum work necessary to mitigate the problem within the scope of the work identified in Section 2.
- b. Any other costs directly related to the project (i.e., asbestos removal). A detailed explanation of why the costs are necessary is required.
- c. The total of a and b.

- III. Testing

Costs associated with testing required during construction for the project. A detailed explanation of each test and the reason the test is required is needed. If multiple tests are being done indicate the quantity.

- IV. Inspection

If the project requires a certified DSA inspector the fee charged by the inspector during the legal duration of the construction contract is allowable. Back-up information supporting the cost is required.

- V. Contingencies

An allowance for unanticipated costs directly related to the critical project is provided as part of the budget for the project. This amount cannot exceed five percent of I through IV. The OPSC shall review all expenditures from this allowance to ensure the eligibility.

Total Project Cost

The total of I through V.

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, September 26, 2007

MACIAS CONSULTING GROUP'S REPORT ON FINANCIAL HARDSHIP PROGRAM

PURPOSE OF REPORT

To present the Macias Consulting Group's (MCG) findings on the overall efficiency and effectiveness of the Financial Hardship Program under the School Facility Program.

DESCRIPTION

The MCG was hired by the Office of Public School Construction (OPSC) to conduct an independent analysis of the Financial Hardship (FH) Review and provide recommendations on the review process. The MCG has completed their analysis and will present their findings to the State Allocation Board in a Power Point presentation at this meeting.

STAFF COMMENTS

The OPSC Staff has been working closely with the MCG in developing a work plan to implement recommendations.

RECOMMENDATION

Accept the MCG's findings.

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, September 26, 2007

HIGH PERFORMANCE INCENTIVE GRANT REGULATIONS

PURPOSE OF REPORT

To provide the State Allocation Board (SAB) with an update regarding the High Performance Incentive Grant regulations.

BACKGROUND

The SAB, at its August 2007 meeting, requested that staff agendaize the High Performance Incentive Grant issue for the September meeting if the regulations are not in effect by the September SAB meeting, and to develop an alternate plan, if necessary.

DESCRIPTION

The Office of Public School Construction (OPSC) re-submitted the High Performance Incentive Grant regulations to the Office of Administrative Law (OAL) on August 23, 2007. Simultaneously, the OPSC posted to its Web site a 15-day letter specifying the changes to the regulations, which is required under the Administrative Procedure Act. The OAL has assigned an attorney to the re-submitted regulatory amendments and their review is currently underway. The 30-day OAL review period ends the week of October 1, 2007, at which time the OPSC anticipates receiving the OAL approval for these regulatory amendments. Therefore, it does not appear that an alternate plan is necessary.

RECOMMENDATION

Accept this report.

BOARD ACTION

In considering this item, the Board accepted the report.

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, September 26, 2007

LITTLE HOOVER COMMISSION REPORT

PURPOSE OF REPORT

To present "The State Allocation Board: Improving Transparency and Structure" report prepared by the Little Hoover Commission.

BACKGROUND

In August 2006 the legislative members of the State Allocation Board (SAB) issued a joint letter to the Little Hoover Commission requesting the Commission to conduct a study of the SAB. In response the Commission held a hearing in May 2007 and released a report in August 2007. The report is available on the Commission's Web site at <http://www.lhc.ca.gov>.

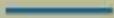
DESCRIPTION

Mr. Daniel W. Hancock, Chairman of the Commission, is in attendance today to present the report.

Evaluation of the OPSC Financial Hardship Review Program

State Allocation Board
September 26, 2007

PERFORMANCE BASED
MANAGEMENT



INFORMATION MANAGEMENT
AND TECHNOLOGY



FINANCIAL MANAGEMENT



COMPLIANCE

Evaluation Objectives

- (1) Assess the adequacy of the existing financial hardship approval process;
- (2) Evaluate internal controls established for the financial hardship review process; and
- (3) Provide recommendations on areas that can be improved.



Methodology

- Selected 15 financial hardship applications that were representative of the workload handled by the OPSC Financial Hardship Unit.
 - The 15 entities selected represented \$225.3 million, or 77 percent of about \$292 million in total eligible funding for FY 05-06.
- Analyzed financial information and audited financial reports submitted by the school districts.
- Examined whether or not the entities qualify for financial hardship as defined by statute.

The current OPSC model appears to be more beneficial to larger school districts

- Five of eight medium and large school districts that were included in our review were not required to contribute any available funds to school construction because, for the most part, current regulations generally preclude capturing the dollars that would otherwise be available.
- Four of six smaller districts that were included in our review were required to contribute from 13 to 70 percent of their available funds to school construction.

PERFORMANCE BASED
MANAGEMENT



INFORMATION MANAGEMENT
AND TECHNOLOGY



FINANCIAL MANAGEMENT



COMPLIANCE

The current OPSC model appears to be more beneficial to larger school districts than smaller school districts

- **Case study**
- A large school district had \$28.5 million available for construction projects.
- The Financial Hardship Program determined that they had zero available funding to contribute to the project.
- The school district did not have to contribute any local funds to its facility construction project(s).
- In contrast, a small school district had a total of \$233,000 available for construction projects, but the Program required the school district to contribute up to 70 percent of those funds to facility construction.



Regulations restrict OPSC reviewers to examine available funds in Capital Outlay Fund accounts only.

- **Case study**
- A larger school district transferred \$4 million from its General Fund to its Special Reserve fund (non-capital outlay). This money could not be considered by OPSC as available for facility construction because it was transferred to a fund account that OPSC could not include in its review. The school district previously performed a similar funds transfer in FY 03-04 for \$3 million, and again this money could not be considered by OPSC as a possible contribution to the project.
- The State provided full funding to the applicant for its facility construction project.

The existing Financial Hardship Process needs simplification and streamlining

- **Case study:**
- A large school district had previously been denied financial hardship status by OPSC on its last two applications because OPSC had determined that the applicant had sufficient funds available to meet the 50 percent contribution requirement.
- On its third attempt to receive financial hardship certification, the school district transferred all its capital outlay funds to its General Fund.
- Because OPSC staff could not review the funds in the General Fund, the school district was subsequently approved for financial hardship funding and the school district was not required to contribute any local funds to the construction projects within this application.

Recommendation

The OPSC Executive Officer should revise the current model to evaluate the overall fiscal health of the school district.

Recommendations

1. Establish an advisory panel comprised of Legislative Analyst Office (LAO) and Office of State 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 Financial Hardship 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 year-end audited financial statements and a current trial balance report.
 - c. Develop an index of State and applicant contribution levels based on the fiscal health assessment of the applicant.
 - d. Seek an independent firm or expert to determine whether vulnerabilities exist within the revised model.

Recommendations

- e. Approve OPSC revamped Financial Hardship Program instructions that provide guidance to the applicants on the financial hardship certification program and funding allocation process.
- f. Establish performance requirements for the review of financial hardship certification applications upon submission of complete applications. (e.g., 30 or 60 days).
- g. Determine whether applicants should submit financial hardship certifications for each project effectively eliminating the six-month effective period of the certification.

Recommendations

2. Establish a formal 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.
3. 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 financial hardship 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.
4. Revamp the Financial Hardship Certification Application to reflect the revised review model, including updating instructions for each financial hardship worksheet required.

Recommendations

5. Add a component to the Financial Hardship 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 financial hardship application.
6. 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.
7. Implement information system-edit checks to require OPSC reviewers to enter required database information.

Recommendations

8. 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.
9. Require mid-level managers to provide bi-monthly performance monitoring on key performance metrics, such as the timeliness of the review process, adherence to internal controls and review outcomes of the financial hardship review process (e.g., percent of withdrawals, denials, and approval rates).
10. Establish an advisory panel comprised of LAO, Department of Finance representatives, OPSC mid-and executive-level management, and an independent auditor that meets monthly to validate the results of the financial hardship certification review and provide approval of eligibility and funding contributions.

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, September 26, 2007

ASSEMBLY BILL 127 GRANT INCREASE
PROJECT INFORMATION WORKSHEET

PURPOSE OF REPORT

To present the proposed Project Information Worksheet (Worksheet) that will be used to gather data for the purpose of determining the annual increase or decrease to the New Construction Base Grant pursuant to Education Code (EC) Section 17072.11, for bond accountability, and the status of the bid climate.

BACKGROUND

In September 2006, the Board approved regulations to implement the grant increases for Assembly Bill (AB) 127, Chapter 35, Statutes of 2006 (Perata/Nunez), and the regulations were filed with the Office of Administrative Law (OAL). However, the proposed regulations were later withdrawn from the OAL and cannot be resubmitted until a method to capture the current costs to build schools is approved by the State Allocation Board (SAB). As a result, the Worksheet was presented at the July and August 2007 SAB meetings. At the August meeting, the Board did not take action on the Worksheet and requested that Staff pilot the Worksheet with the stakeholders prior to the September meeting.

AUTHORITY

EC Section 17072.11(a)(3) states "the board shall conduct an analysis of the relationship between the per-unhoused-pupil grant eligibility....and the per-pupil cost of new school construction..."

EC Section 17072.11(b) states, "On or after January 1, 2008, the board shall increase or decrease the per-unhoused-pupil grant eligibility by amounts it deems necessary to cause the grants to correspond to costs of new school construction"

STAFF COMMENTS

Pursuant to the Board's direction, Staff conducted a pilot of the Worksheet. The Worksheet along with its instructions and a comment sheet were mailed overnight on September 13, 2007. To conduct the pilot, Staff randomly selected projects from its database that were new school projects (no additions to existing sites) that had received an Adjusted Grant fund release in either 2006 or 2007. Within these parameters, Staff selected elementary, middle, and high school projects. Staff also selected projects in rural, suburban, and urban locations from all over of the State. Staff requested that the completed Worksheets be returned via fax to the Office of Public School Construction by close of business on September 19, 2007.

As a result, Staff received a 30 percent response rate (nine responses). One of the concerns previously mentioned was that it would take school districts a lot of time to complete the Worksheet. Based on the results, the average time to complete the Worksheet was three to four hours. The most frequent comment was requesting improved clarity in the instructions, specifically on the component types and the subsequent bid information. Overall, few comments were received. Staff has reviewed all comments and has revised the instructions and the Worksheet, as necessary to improve clarity.

RECOMMENDATIONS

1. Approve the Project Information Worksheet as presented in the Attachment.
2. Authorize the Office of Public School Construction to re-file the Grant Increase regulations with the OAL.

(Continued on Page Two)

BOARD ACTION

In considering this item, the Board approved a motion to move forward and use the form until the end of the calendar year, monitor the results, and revisit it in January 2008 if necessary.

INFORMATION

The information collected using this form is necessary in order to conduct an analysis of the relationship between the per-unhoused-pupil grant eligibility and the per-pupil cost of new school construction for grades K-12 pursuant to Education Code Section 17072.11, to meet the requirements for bond accountability, and the status of the bid climate.

INSTRUCTIONS

This worksheet is to be completed and submitted with the *Fund Release Authorization* (Form SAB 50-05) for all new construction projects that are completing Part IV of the Form 50-05.

This worksheet is to be completed and submitted with the *Expenditure Report* (Form SAB 50-06) for all new construction projects that have received a fund release pursuant to Part IV of the *Fund Release Authorization*.

Attach to this form the accepted bid documents including additive/deductive alternates.

Completed By: Enter the name and title of the person completing this worksheet.

Phone Number: Enter the contact phone number for the person completing this worksheet.

Date Completed: Enter the date that the form was completed.

Application Number(s): Insert the application number provided by the Office of Public School Construction (OPSC). Include the project number(s) of any other associated State funded projects. (e.g. joint-use)

School District: Insert the name of the school district where the project is located.

County: Insert the name of the county where the project is located.

Project Tracking Number: Insert the project tracking number provided by the OPSC, the California Department of Education (CDE), and the Division of the State Architect (DSA).

Project Name: Insert the name of the project (ex. – ABC Elementary School).

Indicate the time period that this form was filled out by checking the appropriate box. Enter the estimated percentage of the project completed. The percentage completed shall be the same as that which is reported on the *Expenditure Report*.

Project Funding

Please provide actual amounts when available and estimates as necessary. Indicate whether the amount reported is the actual or an estimate by checking the appropriate box.

1. Check yes or no to indicate if this is a financial hardship project.
2. Funds available (include site acquisition). If the project includes square footage from other State funded projects (e.g. joint-use), report the funds available from that project.
 - a. Enter the total actual amount of the State Apportionment(s) for this project (sum of 1 and 2).
 1. Enter the amount of the State Apportionment for this project
 2. Enter the amount of the State Apportionment for the joint-use project (if applicable).
 - b. Enter the estimated or actual amount of interest earned on State funds for this project.
 - c. Enter the total actual amount of the District Match for this project (sum of 1 and 2).
 1. Enter the amount of the District Match for this project.
 2. Enter the amount of the District Match for any joint-use project (if applicable).
 - d. Enter the estimated or actual amount of any additional local (district) funds that were necessary to complete this State funded project.

Project Costs

Please provide actual contract amounts when available and estimates as necessary. Indicate whether the amount reported is the actual contract amount or an estimate by checking the appropriate box.

1. Site Acquisition Costs
Enter the total cost for site acquisition, including State share, district share, and any additional local funds. Include any costs for environmental studies and fees.
2. Bid/Construction Contract(s) Data. If the bid(s) includes square footage for other State funded projects (e.g. joint-use), include all associated costs.
 - a. Enter the accepted base bid amount prior to any accepted additive/deductive alternates for all contracts. If there is more than one contract signed (e.g. multiple-prime, etc.) please enter the total of all base bids.
 - b. Enter the amount of all accepted additive/deductive alternates for all contracts.
 - c. Enter the amount of the total construction contract(s). Include the amount of any change orders or addendums, if applicable.
 1. Enter the amount of the building cost in the contract(s).
 2. Enter the estimated amount of the site development work, including service site, offsite, utilities, and general site, included in the contract(s).
 3. Enter the amount of any other construction costs included in the contract(s) (e.g. demolition, interim housing, Labor Compliance Program, General Condition fees, as applicable). If using construction management, enter any general condition fees in 5 below. *Do not include any costs listed in 5 below.*
3. Enter the amount of actual and estimated (not yet contracted, invoiced or obligated) soft costs for the project (e.g. tests and inspections, architect fees, etc.) *Do not include any costs reported in 4 below.*
4. Enter the amount of the estimated remaining hard costs not yet contracted, invoiced or obligated (e.g. portions of work not yet bid, etc.) that are necessary for the completion of this project. *Do not include any costs reported in 3 above.*
5. Enter the amount of Construction Management Fees. If the project is being bid as multiple-prime, include costs for general conditions, etc. *Do not include any costs listed in 2(c)(3) above.*
6. Enter the actual or estimated amount for project contingencies.
7. Enter the actual or estimated amount for furniture and equipment.
8. Enter the amount of the Total Project Cost (do not include site acquisition costs). This amount should be equal to the sum of 2c, 3, 4, 5, 6 and 7 above.

Joint-Use Information

1. Check yes or no to indicate whether the project includes a joint-use partner, even if the joint-use project does not include State funding. Enter the OPSC application number if applicable.
2. Check the appropriate box to indicate which type of joint-use partner is included in the joint-use project.
3. Check yes or no to indicate whether the joint-use partner is contributing capital funding towards this project. If applicable, enter the dollar amount the joint-use partner is contributing.
4. Check which facility(ies) are part of the joint-use project. If other is chosen, please explain the type of joint-use project.

Project Information

- Choose from the drop down menu the type of project that is being built (e.g. new school, addition, etc.)
- Choose from the drop down menu the type of school that best describes this project (e.g. elementary, middle, etc.)
- Select what outdoor facilities you have and how many of each are in the project. If the facility is considered multiple use, check the box that best represents what the facility will be used for the majority of the time. If the project consists of any other playfields not listed, check "other" and explain.
- Check the boxes of the grade levels in the project. Based upon the District's loading standard, enter the number of pupils that can be served at each grade level.

- Enter the master plan site capacity of the project based on single-track use and local district loading standards. Based on teacher contracts and/or local loading standards this number **may be** different from the number of pupils requested on the *Application for Funding*.
- Enter the square footage of the parking structure (if applicable).
- Enter the total net useable site acreage of the project.

Component Types:

- Choose all components that are included in the project. Include the number of each type of facility. Indicate the number of each type of classroom building(s) (e.g. 8 permanent, 4 portable). Indicate if there are any stand-alone restroom buildings. If indicating “other” facilities, a detailed listing of those facilities is not required unless the facility being constructed is atypical or a non-standard facility. If so, then please explain.
- From the pull down menu, choose the main type of construction for each of the buildings in the project (e.g. permanent, modular, portable).
- Enter the square footage of each component that was in the DSA approved plans at the time the project was apportioned by the State Allocation Board. If more than one component is contained in the same building, in order to prevent duplication, report the square footage by each component. (e.g. library in administrative building, report the square footage under the library and administration under administration). If a building is a classroom building report the square footage of the entire building (e.g. hallways, mechanical area, teacher workrooms, etc.).
- Enter the square footage of each component that is in the plans (including any adjustments for addendums or change orders) when the district submitted its *Fund Release Authorization*. Indicate the square footage of any stand-alone restroom buildings.
- Enter the square footage for each component in the plans (including any adjustments for addendums or change orders) at the time of the first annual expenditure report and at the time of the final expenditure report, as applicable.

Total Square Feet All Facilities

- Enter the total building square footage for all facilities in the project. When calculating the square footage, include the total square footage identified on the DSA approved plans for all facilities. Be sure to use the same methodology when calculating square footage for each reporting period.
 - From the total square footage entered above, enter the amount of square footage that is considered stick-built.
 - From the total square footage entered above, enter the amount of square footage that is considered permanent modular.
 - From the total square footage entered above, enter the amount of square footage that is considered portable pursuant to Education Code Section 17070.15(j).

Total Building Cost (Per Square Foot)

- When completing the Worksheet for the first time, enter the original estimated building cost per square foot. For subsequent reports, enter the current estimated or actual cost per square foot. To determine the cost per square foot, divide the total building cost, excluding site acquisition and site development costs (service site, off-site, utilities, parking structures, and general site) by the total building square footage as reported.

Additional Information: This information is being collected to evaluate the bid climate.

1. Enter the number of bidders on this project. If more than one contract was signed for this project (e.g. Multiple-Prime), enter the average number of bidders per trade.
2. Enter the date(s) the bid(s) opened. If more than one bid date, enter the opening bid date of the first bid package.
3. Enter the number of times the project was re-bid, if applicable.
4. Describe the accepted additive/deductive alternates that were included in the project costs. Indicate whether they included facilities or building elements. If the additive/deductive alternate included buildings, please indicate the square footage.

5. Check yes or no to indicate if the contract(s) includes any facilities or other construction that have not yet been identified elsewhere on this form. If yes, explain what those facilities or construction include.
6. Check yes or no to indicate whether the SAB approved project was modified due to cost.
 - a. If, yes explain briefly what measures were taken (e.g. from permanent classrooms to portable etc.)
7. Indicate what facilities or elements, if any, that were included in the State Allocation Board approved project and were eliminated to meet the project budget. Indicate if any facilities were added to the project. Provide a brief explanation as to why they were eliminated.
 - a. If the project received an Adjusted Grant fund release on or after November 1, 2007, check yes or no to indicate whether any facilities and/or square footage that was added or deleted was approved by the CDE, and/or the DSA, and/or the SAB. Please attach the appropriate documentation.
 - b. Check yes or no to indicate if the facilities are intended to be deferred to a later phase. If yes, please explain.
8. Check yes or no to indicate whether there were any local requirements or ordinances the district had to meet that were not covered within the State program(s) provisions (e.g. road or street improvements, utilities, or fees demanded by another local agency, etc.)
 - a. Check yes or no to indicate whether or not these costs were included in the construction contract.
 - b. If yes, describe the local requirement and the associated costs.
9. Check yes or no to indicate whether or not you utilized existing architectural plans from another project.
 - a. If yes, indicate how many times the plans have been re-used within the district. Indicate the name(s) of the project(s).
 - b. Indicate the name any other school districts that have used these plans, if known. Indicate the name of the architect who designed the plans.

Comments/Additional Information

Please provide any additional information about this project that you think will be helpful in completing the analysis.

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, September 26, 2007

SEISMIC MITIGATION REGULATION AMENDMENTS

PURPOSE OF REPORT

To request:

1. Adoption of proposed amendments to the School Facility Program (SFP) regulations for seismic mitigation pursuant to Assembly Bill (AB) 127, Chapter 35, Statutes of 2006 (Perata/Nuñez).
2. Authorization to file the proposed regulations with the Office of Administrative Law (OAL).

BACKGROUND

Proposition 1D provides amendments to Education Code (EC) Section 17075.10 and the Facility Hardship Program and authorizes up to \$199.5 million for seismic mitigation of school facilities that are the most vulnerable of Category 2 buildings¹ and pose an unacceptable risk of injury during a seismic event.

Staff presented regulations at the August 2007 State Allocation Board (SAB) meeting. The Board did not approve Staff's recommendations and requested Staff to continue discussions with the Implementation Committee and consider the following:

- Funding ancillary costs out of the respective new construction or modernization fund.
- Funding interim housing costs as an additional allowance.
- Funding seismic structural engineer reports.
- Reimbursement of projects that would have qualified for funding but the building had been mitigated prior to the effective date of the law (May 20, 2006).

LEGAL ANALYSIS

The SAB Legal Counsel has reviewed the texts of AB 300 Chapter 622, Statutes of 1999 (Corbett) and AB 127 and concludes that the general rule of statutory interpretation applies; that absent some clear expression by the Legislature that its enactments are intended to have retroactive effect, retroactivity can not be assumed. After reviewing the texts of both bills, the well settled rule of law that a statute does not operate retroactively merely because some of the facts or conditions upon which its application depends came into existence prior to its enactment applies in this case.

AUTHORITY

EC Section 17075.10(a) states, "A school district may apply for hardship assistance in cases of extraordinary circumstances. Extraordinary circumstances may include, but are not limited to, the need to repair, reconstruct, or replace the most vulnerable school facilities that are a Category 2 building, as defined in the report submitted pursuant to Section 17317, determined by the department to pose an unacceptable risk of injury to its occupants in the event of a seismic event."

STAFF COMMENTS

The following topics were discussed at the September 2007 SAB Implementation Committee meeting:

(Continued on Page Two)

¹ The technical definition of a Category 2 building is located in the Department of General Services 'Seismic Safety Inventory of California Public Schools' report, issued as a result of AB 300, Chapter 662, Statutes of 1999 (Corbett), which can be located on the Division of the State Architect Web site at www.dsa.dgs.ca.gov.

STAFF COMMENTS (cont.)

Ancillary Costs

The majority of the Implementation Committee members requested that the ancillary costs be borne out of the respective new construction or modernization funds, stating that this would preserve the seismic funds and allow more projects to qualify for seismic mitigation. However, there was discussion that the ancillary costs for replacement buildings could not be determined and therefore could not be borne out of the new construction fund. Committee members questioned whether the ancillary costs for the replacement project could be estimated by using the cost estimate that a district must provide that demonstrates the rehabilitation cost of fixing the building. The SAB Legal Counsel has opined that this option would not be a true reflection of the ancillary costs of a replacement project but merely an estimate and could be inaccurate, resulting in a greater impact to new construction or modernization funds than may be permissible.

Staff is presenting two options for the Board's approval: Option A (Attachment A) represents the regulations that were presented at the August 2007 SAB meeting, where all seismic related costs would come out of the seismic funds including ancillary costs; and Option B (Attachment B) represents regulations where the ancillary costs for seismic rehabilitation projects would be funded out of the modernization fund and all replacement costs would be funded out of the seismic funds.

Interim Housing

There was a strong recommendation by most committee members to have an additional allowance for interim housing that may be needed during a seismic mitigation project. The SAB Legal Counsel has opined that the statute does not allow for the flexibility to include an allowance for interim housing because the statute does not mention or authorize interim housing, and to allow such allowance would be inconsistent with the administration of other programs. Under the School Facility Program (SFP), projects are not entitled to an allowance for interim housing. Therefore, Staff does not recommend an allowance be provided for interim housing.

Reimbursement of Projects

Staff discussed with the SAB Legal Counsel the possibility of reimbursing districts for projects that were repaired or replaced once identified in the Department of General Services 'Seismic Safety Inventory of California Public Schools' report. The SAB Legal Counsel has opined that since the statute did not address a grandfathering provision, the law goes into effect the date it is signed and therefore only applies to projects where contracts were signed on or after May 20, 2006 (see Legal Analysis, previous page). Staff is not recommending reimbursement of projects where a contract was signed prior to May 20, 2006.

Required Structural Engineer's Report

The Board requested Staff to determine if the available \$199.5 million can be utilized for the cost of obtaining a structural report, regardless if the project ultimately qualifies for funding. The SAB Legal Counsel has opined that the Board does not have the flexibility to provide a set aside of funds for this purpose, as the funds would not be utilized for their intended purpose, which is to repair, reconstruct or replace the most vulnerable "Category 2" buildings. However, for projects that receive funding, the cost of obtaining the structural report will be considered an allowable expenditure.

(Continued on Page Three)

STAFF COMMENTS (cont.)

Unfunded List

There was further discussion at the Implementation Committee meeting regarding the generation of an unfunded list when the seismic funds have been exhausted. The Committee expressed concern that districts that meet the definition of the Most Vulnerable Category 2 buildings will not have a choice but to do the seismic remediation work due to the potential liability to the district. However, Staff believes that by setting the groundshaking threshold in such a way that limits the number of facilities that qualify for funding to the amount of funding available will limit the exposure of districts.

Staff is concerned with providing an unfunded list, as districts may misconstrue an unfunded list as a guarantee of funding. Furthermore, the parameters for seismic funding of future bonds may change, thereby disqualifying districts from funding that had an expectation of future funds.

While there had been a notion referenced at the committee meeting that districts may be able to get bridge financing if an unfunded list were created, this ended up not being a viable option. Staff confirmed that California School Finance Authority loans could not be supported by an unfunded approval if the State bond funds were not authorized.

Additional non-substantive SFP Regulation changes included in this item

- Regulation Section 1859.61: Language will be added to clarify that if a classroom is demolished or replaced due to a facility hardship, the modernization eligibility will be reduced by the number of classrooms demolished or replaced.
- Regulation Section 1859.81: Relocate subsection (d) to its appropriate location.
- Regulation Section 1859.83(f): Language will be added to clarify that the referenced verified hard construction costs should include the fire code work.

RECOMMENDATIONS

1. Select either Option A on Attachment A (all costs from the \$199.5 million seismic funds) or Option B on Attachment B (rehabilitation ancillary costs from modernization funds and all replacement costs from the \$199.5 million seismic funds).
2. Adopt the proposed amendments to the regulations as directed by the Board as shown on either Attachment A or Attachment B and begin the regulatory process.
3. Authorize the OPSC to file these regulations with the OAL.

BOARD ACTION

In considering this item, the Board approved Option A (all costs from the \$199.5 million seismic funds).

ATTACHMENT A
(Option A)
PROPOSED AMENDMENTS TO THE
SCHOOL FACILITY PROGRAM REGULATIONS
State Allocation Board Meeting, September 26, 2007

Amend Regulation Section 1859.2

Section 1859.2. Definitions.

For the purpose of these regulations, the terms set forth below shall have the following meanings, subject to the provisions of the Act:

.....

"Form SAB 50-04" means the *Application For Funding*, Form SAB 50-04 (Revised 08/07), which is incorporated by reference.

.....

"Most Vulnerable Category 2 Buildings," as defined by the DSA, means the building is located where the short period spectral acceleration is 1.70 g or more based on the 2002 United States Geological Survey National Seismic Hazard Maps adjusted for site class factors; the building is designed for occupancy by students and staff; the building type is either C1 – Concrete Moment Frame, PC1A – Precast/Tilt-up Concrete Shear Wall with Flexible Roof, PC2 – Precast Concrete Frame and Roofs with Concrete Shear Walls, or URM – Unreinforced Masonry Bearing Wall Buildings; and a structural report is provided by a structural engineer that demonstrates the lateral force-resisting system of the building does not meet collapse prevention performance objectives and the specific deficiencies and reasoning for concluding that the building has a potential for catastrophic collapse.

.....

Note: Authority cited: Sections 17070.35 and 17078.64, Education Code.

Reference: Sections 17009.5, 17017.6, 17017.7, 17021, 17047, 17050, 17051, 17070.15, 17070.51(a), 17070.71, 17070.77, 17071.10, 17071.25, 17071.30, 17071.33, 17071.35, 17071.40, 17071.75, 17071.76, 17072.10, 17072.12, 17072.18, 17072.33, 17073.25, 17074.10, 17074.30, 17074.32, 17075.10, 17075.15, 17077.40, 17077.42, 17077.45, 17078.52, 17078.56, 17078.72(k), 17280, 56026, and 101012(a)(8), Education Code; Section 53311, Government Code; and Section 1771.5, Labor Code.

Amend Regulation Section 1859.61

Section 1859.61. Adjustments to the Modernization Baseline Eligibility.

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

- (a) Reduced by the number of pupils provided grants in a modernization SFP project or a CSFP Rehabilitation project at the specific site.
- (b) Reduced by the number of pupils housed, based on the loading standards pursuant to Education Code Section 17071.25(a)(2), in a modernization LPP project funded under the LPP pursuant to Sections 1859.14 and 1859.15.
- (c) Increased by changes in projected enrollment in subsequent enrollment reporting years.
- (d) Increased for additional facilities not previously modernized with State funds, that become 25 years old, if permanent, or 20 years old, if portable or as a result of audit findings made pursuant to Sections 1859.90 and 1859.105.
- (e) Adjusted as a result of errors or omissions by the district or by the OPSC.
- (f) Adjusted as a result of amendments to these Subgroup 5.5 Regulations that affect the eligibility.
- (g) For classroom loading standards adopted by the Board for non-severely disabled individuals with exceptional needs and severely disabled individuals with exceptional needs.
- (h) As directed by the Board due to a finding of a Material Inaccuracy pursuant to Regulation Section 1859.104.1.

- (i) Increased for facilities previously modernized with State funds, which qualify for an additional modernization apportionment pursuant to Section 1859.78.8.
- (j) Adjusted as a result of the Reconfiguration of an existing high school under the provisions of the Small High School Program.
- (k) Decreased for facilities that were deemed eligible for modernization pursuant to Sections 1859.60 and 1859.61(d) and subsequently replaced, or will be replaced under a signed contract for construction or acquisition of facilities, in a project funded by the district without participation from the State.
- (l) Adjusted as a result of classrooms demolished and replaced pursuant to Regulation Section 1859.82.

Note: Authority cited: Section 17070.35, Education Code.

Reference: Sections 17070.51, 17071.25, 17072.15, 17072.20, 17073.15, 17074.10, ~~and~~ 17074.32, and 17075.10, Education Code.

Amend Regulation Section 1859.81

Section 1859.81. Financial Hardship.

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

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

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

- (1) Approved interim housing expenditures.
- (2) Funding to pay for previously recognized multi-year encumbrances approved at the initial financial hardship approval.
- (3) Funding that is transferred into a Special Reserve Fund and is used for the express purpose of the Federal Renovation Program when the amount expended out of that fund does not exceed the maximum Federal Renovation Grant amount.
- (4) Funding that is transferred into a Special Reserve Fund and is used for the express purpose of the School Facilities Needs Assessment Grant Program or Emergency Repair Program when the amount expended out of that fund does not exceed the maximum grant amount apportioned.
- (5) Funding that is transferred into a Special Reserve Fund and is used for the express purpose of the Career Technical Education Facilities Program when the amount expended out of that fund does not exceed the applicant's share of the maximum grant amount apportioned.
- (6) Funding to pay for obtaining a structural report pursuant to Section 1859.82 for an approvable and funded seismic mitigation project.
- ~~(6)~~(7) All other capital facility funding for a period of three years when no subsequent financial hardship request is made during this period. The three-year period begins with the date of the most recent financial hardship new construction or modernization adjusted grant funding apportionment.

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

- (b) From the funds deemed available as a matching contribution, the district may retain \$19,776 per classroom in each enrollment reporting period for the cost to provide interim housing for the currently unhoused pupils of the

district. The amount shown shall be adjusted annually in the manner prescribed in Section 1859.71. The number of classrooms needed for interim housing for the currently unhoused pupils shall be the sum of the positive numbers determined in (b)(7) as follows:

- (1) Determine the current enrollment of the district by grade level as shown on the latest Form SAB 50-01.
- (2) Determine the New Construction Grants apportioned by grade level for all SFP projects and LPP funded under the provisions of Sections 1859.12 or 1859.13 where the district has submitted Form SAB 50-06 indicating that the project is 100 percent complete.
- (3) Subtract (b)(2) from (b)(1).
- (4) Determine the number of classrooms by grade level reported in Part 1, Line 8 on Form SAB 50-02.
- (5) Multiply the classrooms determined in (b)(4) by 25 for K-6, 27 for 7-12, 13 for Non-Severe and 9 for Severe.
- (6) Subtract the product determined in (b)(5) from the difference determined in (b)(3) by grade level.
- (7) Divide the difference by grade level determined in (b)(6) by 25 for K-6, 27 for 7-12, 13 for Non-Severe and 9 for Severe and round up to the nearest whole number.

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

From the funds deemed available as a matching contribution, the district may also retain \$19,776 per classroom in each reporting period for the cost to provide necessary interim housing for the currently unhoused pupils displaced as a result of a SAB approved seismic mitigation project pursuant to Section 1859.82. The amount shown shall be adjusted annually in the manner prescribed in Section 1859.71. The number of classrooms needed for interim housing shall be the quotient of the displaced pupils by 25 for K-6, 27 for 7-12, 13 for Non-Severe and 9 for Severe and round up to the nearest whole number.

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

- (c) The district has made all reasonable efforts to fund its matching share of the project by demonstrating it is levying the developer fee justified under law or an alternative revenue source equal to or greater than the developer fee otherwise justified under law at the time of request for hardship and the district meets at least one of the following:
 - (1) The current outstanding bonded indebtedness of the district issued for the purpose of constructing school facilities in accordance with Education Code Section 17072.35 or 17074.25 as appropriate, at the time of request for financial hardship status, is at least 60 percent of the district's total bonding capacity. Outstanding bonded indebtedness includes that part of general obligation bonds, Mello-Roos Bonds, School Facility Improvement District Bonds and certificates of participation which the district is paying a debt service that was issued for capital outlay school facility purposes.
 - (2) The district had a successful registered voter bond election for at least the maximum amount allowed under Proposition 39 within the previous two years from the date of request for financial hardship status. The proceeds from the bond election that represent the maximum amount allowed under the provisions of Proposition 39 must be used to fund the district's matching share requirement for SFP project(s).
 - (3) It is a County Superintendent of Schools.
 - (4) The district's total bonding capacity at the time of the request for financial hardship status is \$5 million or less.
 - (5) Other evidence of reasonable effort as approved by the SAB.
- ~~(d) The district has not signed a contract for acquisition or construction of classrooms that replace existing facility(ies), which were included in the determination of the district's new construction eligibility pursuant to Education Code Section 17071.75, in a locally funded project during the five-year period immediately preceding the district's application for financial hardship assistance. This restriction may be lifted if the Board finds that unforeseen and extenuating circumstances existed that required the district to use local funds to replace the facility(ies).~~

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

- (A) Determine the number of pupils by grade level that the district requested a New Construction Grant on the Form SAB 50-04 that were denied financial hardship status.
- (B) Divide the number by grade level determined in (c)(5)(A) by 25 for K-6, 27 for 7-12, 13 for Non-Severe and 9 for Severe and round up to the nearest whole number.

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

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

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

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

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

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

Note: Authority cited: Sections 17070.35, 17075.15, 17078.72 and 17592.73, Education Code.

Reference: Sections 17075.10 and 17075.15, Education Code.

Amend Regulation Section 1859.82

Section 1859.82. Facility Hardship.

A district is eligible for facility hardship funding to replace or construct new classrooms and related facilities if the district demonstrates there is an unmet need for pupil housing or the condition of the facilities, or the lack of facilities, is a threat to the health and safety of the pupils. A facility hardship is available for:

- (a) New classrooms and/or subsidiary facilities (corridors, toilets, kitchens and other non-classroom space) or replacement facilities if either (1) or (2) are met:
 - (1) The facilities are needed to ensure the health and safety of the pupils if the district can demonstrate to the satisfaction of the Board that the health and safety of the pupils is at risk. Factors to be considered by the Board shall include the close proximity to a major freeway, airport, electrical facility, high power transmission lines, dam, pipeline, industrial facility, adverse air quality emission or other health and safety risks, including structural deficiencies required by the ~~Division of the State Architect~~ DSA to be repaired, seismic mitigation of

the Most Vulnerable Category 2 Buildings as verified by the DSA, traffic safety or because the pupils reside in remote areas of the district and transportation to existing facilities is not possible or poses a health and safety risk. The total available funding for seismic mitigation related and ancillary costs for the Most Vulnerable Category 2 Buildings is \$199.5 million for projects where the construction contract was executed on or after May 20, 2006, and the project funding provided shall be for the minimum work necessary to obtain DSA approval.

- (A) If the request is for replacement facilities, a cost/benefit analysis must be prepared by the district and submitted to the OPSC that indicates the total costs to remain in the classroom or related facility and mitigate the problem is at least 50 percent of the Current Replacement Cost of the classroom or related facility. The cost/benefit analysis may include applicable site development costs as outlined in Section 1859.76. If the cost to remain in the classroom or related facility is less than 50 percent of the Current Replacement Cost, the district may qualify for a Modernization Excessive Cost Hardship Grant for rehabilitation costs pursuant to Section 1859.83 (e) or a grant not to exceed 50 percent of the cost estimate that has been reviewed and approved by the OPSC and approved by the board for seismic rehabilitation.
- (B) If the request is for replacement facilities that included structural deficiencies and/or seismic deficiencies, the cost/benefit analysis must also include a report from a licensed design professional identifying the minimum work necessary to obtain ~~Division of the State Architect~~ DSA approval. The report must contain a detailed cost estimate of the repairs. The report and cost estimate shall be subject to review by the OPSC for conformance with the Saylor Current Construction Cost Publication and, at the OPSC's discretion, the ~~Division of the State Architect~~ DSA. For seismic deficiencies of the Most Vulnerable Category 2 Buildings, the report and the cost estimate for the minimum work necessary must be reviewed by the DSA.
- (2) The classroom or related facility was lost or destroyed as a result of a disaster such as fire, flood or earthquake and the district has demonstrated satisfactorily to the Board that the classroom or related facility was uninsurable or the cost for insurance was prohibitive.

If the district qualifies for a new or replacement school pursuant to either (1) or (2) above, the district is eligible for a New Construction Grant as a new construction project for the lesser of the pupils housed in the replaced facility based on loading standards pursuant to Education Code Section 17071.25(a)(2) or the latest CBEDS enrollment at the site.

If the district qualifies for replacement facilities on the same site pursuant to either (1) or (2) above, the district is eligible for funding as a new construction project. Replacement facilities shall be allowed in accordance with the square footage amounts provided in the chart in Section (b) below. If the facility eligible for replacement is not shown in the chart in Section (b) below, the replacement facility shall be limited to the square footage replaced. The grant amount provided shall be \$173.30 per square foot for Toilet Facilities and \$96.30 per square foot for all other facilities. Additional funding may be provided for applicable site development costs pursuant to Section 1859.76, New Construction Excessive Cost Hardship Grant(s) pursuant to Section 1859.83(a), (b) or (d), therapy room pursuant to Section 1859.72, multilevel construction pursuant to Section 1859.73 and project assistance pursuant to Section 1859.73.1. The amounts shown will be adjusted in the manner prescribed in Section 1859.71. The district may be eligible for the funding provided to initiate and enforce a LCP as prescribed in Section 1859.71.4.

Any grants provided pursuant to either (1) or (2) above will be reduced for any space deemed available by the Board in the district, the HSAA or Super HSAA that could be used to house some or all of the displaced pupils, fifty percent of any insurance proceeds collectable by the district for the displaced facilities and fifty percent of the net proceeds available from the disposition of any displaced facilities.

- (b) A multi-purpose room, toilet, gymnasium, school administration or library/media center, facility that meets all the following:
- (1) The facility was lost or destroyed as a result of a disaster, including but not limited to fire, flood or earthquake.
 - (2) The facility is no longer useable for school purposes as recommended by the California Department of Education and approved by the Board.
 - (3) The district has demonstrated satisfactorily to the Board that the facility was uninsurable or the cost of insurance was prohibitive.

If the district qualifies, the district is eligible for funding as a new construction project. The funding amount provided shall be \$96.30 per square foot for library/media center, school administration, gymnasium and multi-purpose facilities, and/or \$173.30 per square foot for Toilet Facilities. A New Construction Additional Grant may be provided for applicable site development costs pursuant to Section 1859.76, New Construction Excessive Cost Hardship Grant(s) pursuant to Section 1859.83(a) and (d), therapy room pursuant to Section 1859.72, multilevel construction pursuant to Section 1859.73 and project assistance pursuant to Section 1859.73.1. The amounts shown will be adjusted in the manner prescribed in Section 1859.71. The district may be eligible for the funding provided to initiate and enforce a LCP as prescribed in Section 1859.71.4.

Any grants provided pursuant to (b) above, shall be reduced by fifty percent of any insurance proceeds collectable by the district for the displaced facilities and fifty percent of the net proceeds available from the disposition of any displaced facilities.

The square footage provided, after accounting for all useable facilities on the site, shall not exceed the following:

<i>Facility</i>	<i>Elementary School Pupils</i>	<i>Middle School Pupils</i>	<i>High School Pupils</i>
Multi-Purpose (includes food service)	5.3 sq. ft. per pupil minimum 4,000 sq. ft.	5.3 sq. ft. per pupil minimum 5,000 sq. ft.	6.3 sq. ft. per pupil minimum 8,200 sq. ft.
Toilet	3 sq. ft. per pupil minimum 300 sq. ft.	4 sq. ft. per pupil minimum 300 sq. ft.	5 sq. ft. per pupil minimum 300 sq. ft.
Gymnasium (includes shower/locker)	N/A	12.9 sq. ft. per pupil minimum 6,828 sq. ft. maximum 16,000 sq. ft.	15.3 sq. ft. per pupil minimum 8,380 sq. ft. maximum 18,000 sq. ft.
School Administration	3 sq. ft. per pupil minimum 600 sq. ft.	3 sq. ft. per pupil minimum 600 sq. ft.	4 sq. ft. per pupil minimum 800 sq. ft.
Library/Media Center	2.3 sq. ft. per pupil plus 600 sq. ft.	3.3 sq. ft. per pupil plus 600 sq. ft.	4.3 sq. ft. per pupil plus 600 sq. ft.

Any facilities eligible for facility hardship not shown in the above chart or for Alternative Education facilities not shown in the table in Section 1859.77.3(a)(5) shall be eligible for replacement square footage equal to the facilities replaced. For an Alternative Education school eligible for a facility hardship, utilize the square footage provided in Section 1859.77.3(a)(5), with the exception of toilet and administration where the chart above shall be utilized.

A district may request a determination of eligibility for facility hardship funding in advance of project funding.

(c) A district seeking replaced facilities as a result of either (a) or (b) above must submit Form SAB 50-04 for the replaced facilities:

- (1) Within 18 months if the replacement facilities will be located on the same site.
- (2) Within 24 months if the replacement facilities will be located on a replacement site.

If an Approved Application for the replaced facility is not accepted within the time periods identified in (c)(1) or (c)(2) above, the Board shall re-review the criteria submitted by the district for replacement of the facility prior to apportionment of the replaced facility.

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

Reference: Sections 17074.56, 17075.10 and 17075.15, Education Code.

Section 1859.83. Excessive Cost Hardship Grant.

In addition to any other funding authorized by these Regulations, a district is eligible for funding as a result of unusual circumstances that created excessive project costs beyond the control of the district. The Excessive Cost Hardship Grant shall be based on any of the following:

...

- (f) Excessive cost due to accessibility and fire code requirements:
 - (1) The district is eligible for a Modernization Excessive Cost Hardship Grant equal to three percent of the Modernization Grant for accessibility and fire code requirements. In lieu of three percent, the district has the option of requesting 60 percent of the amount determined in (A), not to exceed 60 percent of the amount determined in (B):
 - (A) Determine the difference of the verified hard construction costs of the minimum accessibility and fire code work necessary to receive approval from the DSA minus seven percent of the sum of the Modernization Grant and the district matching share of the Modernization Grant pursuant to Section 1859.79.
 - (B) Determine the difference of 1. minus 2.:
 - 1. Multiply the pupils requested in the application by the New Construction Grant.
 - 2. The sum of the State and district share of the pupils requested on the Form SAB 50-04 multiplied by the grant determined pursuant to Section 1859.78 and 1859.78.3.
 - (2) Projects constructed pursuant to Section 1859.79.2(a)(1) may be provided a Modernization Excessive Cost Hardship Grant equal to three percent of the Modernization Grant.
 - (3) The district is eligible for a Modernization Excessive Cost Hardship Grant of:
 - (A) \$80,000 for each new two-stop elevator required to be included in the project by the DSA if the Approved Application was received on or before April 29, 2002.
 - (B) \$60,000 for each new two-stop elevator required to be included in the project by the DSA if the Approved Application is received after April 29, 2002.The amounts shown in (A) and (B) above shall be adjusted annually in the manner prescribed in Section 1859.78.
 - (4) The district is eligible for a Modernization Excessive Cost Hardship Grant of:
 - (A) \$14,400 for each additional stop of the new elevator required in (3) above if the Approved Application was received on or before April 29, 2002.
 - (B) \$10,800 for each additional stop of the new elevator required in (3) above if the Approved Application was received after April 29, 2002.

The amounts shown in (A) and (B) above shall be adjusted annually in the manner prescribed in Section 1859.78.

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

Reference: Sections 17072.32, 17074.15, 17074.16, 17075.10, 17075.15, 17077.40, 17077.42 and 17077.45, Education Code.

APPLICATION FOR FUNDING SCHOOL FACILITY PROGRAM

SAB 50-04 (REV 06/0610/07)

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.
- DSA approval letter for elevator to meet handicapped compliance, if funding is requested.
- 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

SAB 50-04 (REV 06/0610/07)

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), [seismic replacement or seismic rehabilitation for the Most Vulnerable Category 2 Buildings](#), or rehabilitation pursuant to Section 1859.83 (e), check the appropriate box(es).

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

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

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

2. Type of Project

a. Select the type of project that best represents this application request and enter the total number of pupils assigned to the project for each grade group. Include pupils to be housed in a new or replacement school authorized by Section 1859.82 (a). The amount entered cannot exceed the district's baseline

eligibility determined on Form SAB 50-03 and will be the basis for the amount of the new construction or modernization grants provided for the project.

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

- b. Check the box if the project is eligible for funding for 50 year or older permanent buildings and report, at the option of the district:
- The total number of eligible classrooms or the total eligible square footage building area at the site. Refer to Section 1859.78.6(b)(1)(A) or (b)(2)(A).
 - The total number of permanent classrooms or the total permanent square footage building area that is at least 50 years old and not been previously modernized with state funds. Refer to Section 1859.78.6(b)(1)(B) or (b)(2)(B).
 - Enter the greater percentage as calculated under Regulation Section 1859.78.6(b)(1)(C) or Regulation Section 1859.78.6(b)(2)(C).
 - If this project includes eligible 50 year or older pupil grants, enter the appropriate number assigned to the project for each grade group. The number of pupils entered cannot exceed the cumulative number of 50 year or older permanent buildings pupil grants requested for all modernization funding applications for the site as determined by using the percentage factor above.
- c. If this request includes pupil grants generated by an Alternative Enrollment Projection Method, enter the number of pupils by grade level.
- d. Indicate if this request is for funding of a 6–8 school and/or an Alternative Education School.
- e. 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.
- f. 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.

APPLICATION FOR FUNDING SCHOOL FACILITY PROGRAM

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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:

- Therapy area in square feet as provided in Section 1859.72.
- Multilevel classrooms in the P&S pursuant to Section 1859.73.
- 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.
- 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.
 - Enter 50 percent of the actual cost.
 - 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.
 - Enter 50 percent of the allowable relocation cost.
 - Enter two percent of the lesser of the actual cost or appraised value of the site (minimum \$25,000).
 - 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.

- 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.
- 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

- If the district is requesting replacement facilities on the same site (including seismic replacement), enter the square footage requested as provided in Section 1859.82(a) or (b).

h. If the request for seismic rehabilitation does not exceed 50 percent of the current replacement cost of the classroom or related facility, report 50 percent of the health/safety seismic mitigation cost as authorized by Section 1859.82(a).

- Enter the square feet of eligible replacement area as provided by Section 1859.73.2.
- 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).
- 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

- 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.
- 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).
- 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).
- 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.
- Check the box(es) if the district requests and the project qualifies for additional funding for fire code requirements authorized in Section 1859.78.4.

7. Excessive Cost Hardship Request

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

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

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

8. Project Priority Funding Order

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

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9. Prior Approval Under the LPP

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

10. Prior Apportionment Under the SFP

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

11. Preliminary Apportionment to a Final Apportionment

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

12. Alternative Developer Fee

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

13. Adjustment to New Construction Baseline Eligibility

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.

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.

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

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

1. Type of Application—Check Only One

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

Separate Apportionment

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

2. Type of Project

- a. Elementary School
 Middle School
 High School

Total Pupils Assigned:

K-6: _____
 7-8: _____
 9-12: _____
 Non-Severe: _____
 Severe: _____

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

Total Eligible Classrooms/Square Footage: _____
 Classroom/Square Footage at Least 50 Years Old: _____
 Ratio of 50 Years Old Classrooms/Square Footage: _____ %
 From 2a above, how many are 50 Year or Older Pupil Grants?

K-6: _____
 7-8: _____
 9-12: _____
 Non-Severe: _____
 Severe: _____

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

K-6: _____
 7-8: _____
 9-12: _____
 Non-Severe: _____
 Severe: _____

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

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

Is this an Alternative Education School? Yes No

- e. 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:

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

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

5. New Construction Additional Grant Request—New Construction Only

- a. Therapy: Toilets (sq. ft.) _____
 Other (sq. ft.) _____

- b. Multilevel Construction (CRS): _____

- c. Project Assistance

- d. Site Acquisition:
- Leased Site
 - Additional Acreage to Existing Site
 - Addition to Existing Site
- (1) 50 percent Actual Cost: \$ _____
 (2) 50 percent Appraised Value: \$ _____
 (3) 50 percent Relocation Cost: \$ _____
 (4) 2 percent (min. \$25,000): \$ _____
 (5) 50 percent DTSC Fee: \$ _____

- e. 50 percent hazardous waste removal: \$ _____

- Response Action (RA)

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- 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.):

h. Seismic Rehabilitation [Section 1859.82(a)] \$

- ih. Replacement area
Toilet (sq. ft.):
Other (sq. ft.):

ji. Energy Efficiency: %

- kj. 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: %
Handicapped Access/Fire Code (3 percent)
Number of 2-Stop Elevators:
Number of Additional Stops:
Small Size Project
Urban/Security/Impacted site

8. Project Priority Funding Order—New Construction Only

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

Project meets:

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

9. Prior Approval Under the LPP

New Construction: 22/
Modernization: 77/

10. Prior Apportionment Under the SFP

Site/Design—New Construction: 50/
Design—Modernization: 57/

11. Preliminary Apportionment to Final Apportionment

Preliminary Apportionment Application Number: #

12. Alternative Developer Fee—New Construction Only

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

13. Adjustment to New Construction Baseline Eligibility

- 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

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

18. Construction Delivery Method

- Design-Bid-Build
Design-Build
Developer Built
Lease Lease-Back
Energy Performance Contract
Other:

**APPLICATION FOR FUNDING
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19. Architect of Record or Licensed Architect Certification

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

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

ARCHITECT OF RECORD OR LICENSED ARCHITECT (PRINT NAME)

SIGNATURE

DATE

20. Architect of Record or Design Professional Certification

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

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

ARCHITECT OF RECORD OR DESIGN PROFESSIONAL (PRINT NAME)

SIGNATURE

DATE

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,
- 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 Fund or will be expended by the district prior to the notice of completion for the project; and,

APPLICATION FOR FUNDING SCHOOL FACILITY PROGRAM

- 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 51226.1; and
- If the district is requesting an Additional Grant for Energy Efficiency pursuant to Sections 1859.71.3 or 1859.78.5, the increased costs for the energy efficiency components in the project exceeds the amount of funding otherwise available to the district; and
- If this application is submitted after January 1, 2004 for modernization funding, the district has considered the potential for the presence of lead-containing materials in the modernization project and will follow all relevant federal, state, and local standards for the management of any identified lead; and
- The district has or will initiate and enforce a Labor Compliance Program that has been approved by the Department of Industrial Relations, pursuant to Labor Code Section 1771.7, if the project is funded from Propositions 47 or 55 and the Notice to Proceed for the construction phase of the project is issued on or after April 1, 2003; and,
- Beginning with the 2005/2006 fiscal year, the district has complied with Education Code Section 17070.75(e) by establishing a facilities inspection system to ensure that each of its schools is maintained in good repair; 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).

ATTACHMENT B
(Option B)
PROPOSED AMENDMENTS TO THE
SCHOOL FACILITY PROGRAM REGULATIONS
State Allocation Board Meeting, September 26, 2007

Amend Regulation Section 1859.2

Section 1859.2. Definitions.

For the purpose of these regulations, the terms set forth below shall have the following meanings, subject to the provisions of the Act:

.....

"Form SAB 50-04" means the *Application For Funding*, Form SAB 50-04 (Revised 08/07), which is incorporated by reference.

.....

"Most Vulnerable Category 2 Buildings," as defined by the DSA, means the building is located where the short period spectral acceleration is 1.65 g or more based on the 2002 United States Geological Survey National Seismic Hazard Maps adjusted for site class factors; the building is designed for occupancy by students and staff; the building type is either C1 – Concrete Moment Frame, PC1A – Precast/Tilt-up Concrete Shear Wall with Flexible Roof, PC2 – Precast Concrete Frame and Roofs with Concrete Shear Walls, or URM – Unreinforced Masonry Bearing Wall Buildings; and a structural report is provided by a structural engineer that demonstrates the lateral force-resisting system of the building does not meet collapse prevention performance objectives and the specific deficiencies and reasoning for concluding that the building has a potential for catastrophic collapse.

.....

Note: Authority cited: Sections 17070.35 and 17078.64, Education Code.

Reference: Sections 17009.5, 17017.6, 17017.7, 17021, 17047, 17050, 17051, 17070.15, 17070.51(a), 17070.71, 17070.77, 17071.10, 17071.25, 17071.30, 17071.33, 17071.35, 17071.40, 17071.75, 17071.76, 17072.10, 17072.12, 17072.18, 17072.33, 17073.25, 17074.10, 17074.30, 17074.32, 17075.10, 17075.15, 17077.40, 17077.42, 17077.45, 17078.52, 17078.56, 17078.72(k), 17280, 56026, and 101012(a)(8), Education Code; Section 53311, Government Code; and Section 1771.5, Labor Code.

Amend Regulation Section 1859.61

Section 1859.61. Adjustments to the Modernization Baseline Eligibility.

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

- (a) Reduced by the number of pupils provided grants in a modernization SFP project or a CSFP Rehabilitation project at the specific site.
- (b) Reduced by the number of pupils housed, based on the loading standards pursuant to Education Code Section 17071.25(a)(2), in a modernization LPP project funded under the LPP pursuant to Sections 1859.14 and 1859.15.
- (c) Increased by changes in projected enrollment in subsequent enrollment reporting years.
- (d) Increased for additional facilities not previously modernized with State funds, that become 25 years old, if permanent, or 20 years old, if portable or as a result of audit findings made pursuant to Sections 1859.90 and 1859.105.
- (e) Adjusted as a result of errors or omissions by the district or by the OPSC.
- (f) Adjusted as a result of amendments to these Subgroup 5.5 Regulations that affect the eligibility.
- (g) For classroom loading standards adopted by the Board for non-severely disabled individuals with exceptional needs and severely disabled individuals with exceptional needs.
- (h) As directed by the Board due to a finding of a Material Inaccuracy pursuant to Regulation Section 1859.104.1.

- (i) Increased for facilities previously modernized with State funds, which qualify for an additional modernization apportionment pursuant to Section 1859.78.8.
- (j) Adjusted as a result of the Reconfiguration of an existing high school under the provisions of the Small High School Program.
- (k) Decreased for facilities that were deemed eligible for modernization pursuant to Sections 1859.60 and 1859.61(d) and subsequently replaced, or will be replaced under a signed contract for construction or acquisition of facilities, in a project funded by the district without participation from the State.
- (l) Adjusted as a result of classrooms demolished and replaced pursuant to Regulation Section 1859.82.

Note: Authority cited: Section 17070.35, Education Code.

Reference: Sections 17070.51, 17071.25, 17072.15, 17072.20, 17073.15, 17074.10, ~~and~~ 17074.32, and 17075.10, Education Code.

Amend Regulation Section 1859.81

Section 1859.81. Financial Hardship.

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

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

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

- (1) Approved interim housing expenditures.
- (2) Funding to pay for previously recognized multi-year encumbrances approved at the initial financial hardship approval.
- (3) Funding that is transferred into a Special Reserve Fund and is used for the express purpose of the Federal Renovation Program when the amount expended out of that fund does not exceed the maximum Federal Renovation Grant amount.
- (4) Funding that is transferred into a Special Reserve Fund and is used for the express purpose of the School Facilities Needs Assessment Grant Program or Emergency Repair Program when the amount expended out of that fund does not exceed the maximum grant amount apportioned.
- (5) Funding that is transferred into a Special Reserve Fund and is used for the express purpose of the Career Technical Education Facilities Program when the amount expended out of that fund does not exceed the applicant's share of the maximum grant amount apportioned.
- (6) Funding to pay for obtaining a structural report pursuant to Section 1859.82 for an approvable and funded seismic mitigation project.
- ~~(6)~~(7) All other capital facility funding for a period of three years when no subsequent financial hardship request is made during this period. The three-year period begins with the date of the most recent financial hardship new construction or modernization adjusted grant funding apportionment.

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

- (b) From the funds deemed available as a matching contribution, the district may retain \$19,776 per classroom in each enrollment reporting period for the cost to provide interim housing for the currently unhoused pupils of the

district. The amount shown shall be adjusted annually in the manner prescribed in Section 1859.71. The number of classrooms needed for interim housing for the currently unhoused pupils shall be the sum of the positive numbers determined in (b)(7) as follows:

- (1) Determine the current enrollment of the district by grade level as shown on the latest Form SAB 50-01.
- (2) Determine the New Construction Grants apportioned by grade level for all SFP projects and LPP funded under the provisions of Sections 1859.12 or 1859.13 where the district has submitted Form SAB 50-06 indicating that the project is 100 percent complete.
- (3) Subtract (b)(2) from (b)(1).
- (4) Determine the number of classrooms by grade level reported in Part 1, Line 8 on Form SAB 50-02.
- (5) Multiply the classrooms determined in (b)(4) by 25 for K-6, 27 for 7-12, 13 for Non-Severe and 9 for Severe.
- (6) Subtract the product determined in (b)(5) from the difference determined in (b)(3) by grade level.
- (7) Divide the difference by grade level determined in (b)(6) by 25 for K-6, 27 for 7-12, 13 for Non-Severe and 9 for Severe and round up to the nearest whole number.

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

From the funds deemed available as a matching contribution, the district may also retain \$19,776 per classroom in each reporting period for the cost to provide necessary interim housing for the currently unhoused pupils displaced as a result of a SAB approved seismic mitigation project pursuant to Section 1859.82. The amount shown shall be adjusted annually in the manner prescribed in Section 1859.71. The number of classrooms needed for interim housing shall be the quotient of the displaced pupils by 25 for K-6, 27 for 7-12, 13 for Non-Severe and 9 for Severe and round up to the nearest whole number.

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

- (c) The district has made all reasonable efforts to fund its matching share of the project by demonstrating it is levying the developer fee justified under law or an alternative revenue source equal to or greater than the developer fee otherwise justified under law at the time of request for hardship and the district meets at least one of the following:
 - (1) The current outstanding bonded indebtedness of the district issued for the purpose of constructing school facilities in accordance with Education Code Section 17072.35 or 17074.25 as appropriate, at the time of request for financial hardship status, is at least 60 percent of the district's total bonding capacity. Outstanding bonded indebtedness includes that part of general obligation bonds, Mello-Roos Bonds, School Facility Improvement District Bonds and certificates of participation which the district is paying a debt service that was issued for capital outlay school facility purposes.
 - (2) The district had a successful registered voter bond election for at least the maximum amount allowed under Proposition 39 within the previous two years from the date of request for financial hardship status. The proceeds from the bond election that represent the maximum amount allowed under the provisions of Proposition 39 must be used to fund the district's matching share requirement for SFP project(s).
 - (3) It is a County Superintendent of Schools.
 - (4) The district's total bonding capacity at the time of the request for financial hardship status is \$5 million or less.
 - (5) Other evidence of reasonable effort as approved by the SAB.
- ~~(d) The district has not signed a contract for acquisition or construction of classrooms that replace existing facility(ies), which were included in the determination of the district's new construction eligibility pursuant to Education Code Section 17071.75, in a locally funded project during the five-year period immediately preceding the district's application for financial hardship assistance. This restriction may be lifted if the Board finds that unforeseen and extenuating circumstances existed that required the district to use local funds to replace the facility(ies).~~

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

- (A) Determine the number of pupils by grade level that the district requested a New Construction Grant on the Form SAB 50-04 that were denied financial hardship status.
- (B) Divide the number by grade level determined in (c)(5)(A) by 25 for K-6, 27 for 7-12, 13 for Non-Severe and 9 for Severe and round up to the nearest whole number.

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

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

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

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

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

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

Note: Authority cited: Sections 17070.35, 17075.15, 17078.72 and 17592.73, Education Code.

Reference: Sections 17075.10 and 17075.15, Education Code.

Amend Regulation Section 1859.82

Section 1859.82. Facility Hardship.

A district is eligible for facility hardship funding to replace or construct new classrooms and related facilities if the district demonstrates there is an unmet need for pupil housing or the condition of the facilities, or the lack of facilities, is a threat to the health and safety of the pupils. A facility hardship is available for:

- (a) New classrooms and/or subsidiary facilities (corridors, toilets, kitchens and other non-classroom space) or replacement facilities if either (1) or (2) are met:
 - (1) The facilities are needed to ensure the health and safety of the pupils if the district can demonstrate to the satisfaction of the Board that the health and safety of the pupils is at risk. Factors to be considered by the Board shall include the close proximity to a major freeway, airport, electrical facility, high power transmission lines, dam, pipeline, industrial facility, adverse air quality emission or other health and safety risks, including structural deficiencies required by the ~~Division of the State Architect~~ DSA to be repaired, seismic mitigation of

the Most Vulnerable Category 2 Buildings as verified by the DSA, traffic safety or because the pupils reside in remote areas of the district and transportation to existing facilities is not possible or poses a health and safety risk. The total available funding for seismic mitigation related costs for the Most Vulnerable Category 2 Buildings is \$199.5 million for projects where the construction contract was executed on or after May 20, 2006, and the project funding provided shall be for the minimum work necessary to obtain DSA approval. For seismic mitigation replacement projects, ancillary costs shall be funded out of the \$199.5 million seismic funds.

- (A) If the request is for replacement facilities, a cost/benefit analysis must be prepared by the district and submitted to the OPSC that indicates the total costs to remain in the classroom or related facility and mitigate the problem is at least 50 percent of the Current Replacement Cost of the classroom or related facility. The cost/benefit analysis may include applicable site development costs as outlined in Section 1859.76. If the cost to remain in the classroom or related facility is less than 50 percent of the Current Replacement Cost, the district may qualify for a Modernization Excessive Cost Hardship Grant for rehabilitation costs pursuant to Section 1859.83 (e) or a grant not to exceed 50 percent of the cost estimate that has been reviewed and approved by the OPSC and approved by the board for seismic rehabilitation. Ancillary costs for seismic rehabilitation shall be funded out of the modernization fund.
- (B) If the request is for replacement facilities that included structural ~~deficiencies~~ and/or seismic deficiencies, the cost/benefit analysis must also include a report from a licensed design professional identifying the minimum work necessary to obtain ~~Division of the State Architect~~ DSA approval. The report must contain a detailed cost estimate of the repairs. The report and cost estimate shall be subject to review by the OPSC for conformance with the Saylor Current Construction Cost Publication and, at the OPSC's discretion, the ~~Division of the State Architect~~ DSA. For seismic deficiencies of the Most Vulnerable Category 2 Buildings, the report and the cost estimate for the minimum work necessary must be reviewed by the DSA.
- (2) The classroom or related facility was lost or destroyed as a result of a disaster such as fire, flood or earthquake and the district has demonstrated satisfactorily to the Board that the classroom or related facility was uninsurable or the cost for insurance was prohibitive.

If the district qualifies for a new or replacement school pursuant to either (1) or (2) above, the district is eligible for a New Construction Grant as a new construction project for the lesser of the pupils housed in the replaced facility based on loading standards pursuant to Education Code Section 17071.25(a)(2) or the latest CBEDS enrollment at the site.

If the district qualifies for replacement facilities on the same site pursuant to either (1) or (2) above, the district is eligible for funding as a new construction project. Replacement facilities shall be allowed in accordance with the square footage amounts provided in the chart in Section (b) below. If the facility eligible for replacement is not shown in the chart in Section (b) below, the replacement facility shall be limited to the square footage replaced. The grant amount provided shall be \$173.30 per square foot for Toilet Facilities and \$96.30 per square foot for all other facilities. Additional funding may be provided for applicable site development costs pursuant to Section 1859.76, New Construction Excessive Cost Hardship Grant(s) pursuant to Section 1859.83(a), (b) or (d), therapy room pursuant to Section 1859.72, multilevel construction pursuant to Section 1859.73 and project assistance pursuant to Section 1859.73.1. The amounts shown will be adjusted in the manner prescribed in Section 1859.71. The district may be eligible for the funding provided to initiate and enforce a LCP as prescribed in Section 1859.71.4.

Any grants provided pursuant to either (1) or (2) above will be reduced for any space deemed available by the Board in the district, the HSAA or Super HSAA that could be used to house some or all of the displaced pupils, fifty percent of any insurance proceeds collectable by the district for the displaced facilities and fifty percent of the net proceeds available from the disposition of any displaced facilities.

- (b) A multi-purpose room, toilet, gymnasium, school administration or library/media center, facility that meets all the following:
- (1) The facility was lost or destroyed as a result of a disaster, including but not limited to fire, flood or earthquake.
 - (2) The facility is no longer useable for school purposes as recommended by the California Department of Education and approved by the Board.

- (3) The district has demonstrated satisfactorily to the Board that the facility was uninsurable or the cost of insurance was prohibitive.

If the district qualifies, the district is eligible for funding as a new construction project. The funding amount provided shall be \$96.30 per square foot for library/media center, school administration, gymnasium and multi-purpose facilities, and/or \$173.30 per square foot for Toilet Facilities. A New Construction Additional Grant may be provided for applicable site development costs pursuant to Section 1859.76, New Construction Excessive Cost Hardship Grant(s) pursuant to Section 1859.83(a) and (d), therapy room pursuant to Section 1859.72, multilevel construction pursuant to Section 1859.73 and project assistance pursuant to Section 1859.73.1. The amounts shown will be adjusted in the manner prescribed in Section 1859.71. The district may be eligible for the funding provided to initiate and enforce a LCP as prescribed in Section 1859.71.4.

Any grants provided pursuant to (b) above, shall be reduced by fifty percent of any insurance proceeds collectable by the district for the displaced facilities and fifty percent of the net proceeds available from the disposition of any displaced facilities.

The square footage provided, after accounting for all useable facilities on the site, shall not exceed the following:

<i>Facility</i>	<i>Elementary School Pupils</i>	<i>Middle School Pupils</i>	<i>High School Pupils</i>
Multi-Purpose (includes food service)	5.3 sq. ft. per pupil minimum 4,000 sq. ft.	5.3 sq. ft. per pupil minimum 5,000 sq. ft.	6.3 sq. ft. per pupil minimum 8,200 sq. ft.
Toilet	3 sq. ft. per pupil minimum 300 sq. ft.	4 sq. ft. per pupil minimum 300 sq. ft.	5 sq. ft. per pupil minimum 300 sq. ft.
Gymnasium (includes shower/locker)	N/A	12.9 sq. ft. per pupil minimum 6,828 sq. ft. maximum 16,000 sq. ft.	15.3 sq. ft. per pupil minimum 8,380 sq. ft. maximum 18,000 sq. ft.
School Administration	3 sq. ft. per pupil minimum 600 sq. ft.	3 sq. ft. per pupil minimum 600 sq. ft.	4 sq. ft. per pupil minimum 800 sq. ft.
Library/Media Center	2.3 sq. ft. per pupil plus 600 sq. ft.	3.3 sq. ft. per pupil plus 600 sq. ft.	4.3 sq. ft. per pupil plus 600 sq. ft.

Any facilities eligible for facility hardship not shown in the above chart or for Alternative Education facilities not shown in the table in Section 1859.77.3(a)(5) shall be eligible for replacement square footage equal to the facilities replaced. For an Alternative Education school eligible for a facility hardship, utilize the square footage provided in Section 1859.77.3(a)(5), with the exception of toilet and administration where the chart above shall be utilized.

A district may request a determination of eligibility for facility hardship funding in advance of project funding.

- (c) A district seeking replaced facilities as a result of either (a) or (b) above must submit Form SAB 50-04 for the replaced facilities:

- (1) Within 18 months if the replacement facilities will be located on the same site.
- (2) Within 24 months if the replacement facilities will be located on a replacement site.

If an Approved Application for the replaced facility is not accepted within the time periods identified in (c)(1) or (c)(2) above, the Board shall re-review the criteria submitted by the district for replacement of the facility prior to apportionment of the replaced facility.

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

Reference: Sections 17074.56, 17075.10 and 17075.15, Education Code.

Section 1859.83. Excessive Cost Hardship Grant.

In addition to any other funding authorized by these Regulations, a district is eligible for funding as a result of unusual circumstances that created excessive project costs beyond the control of the district. The Excessive Cost Hardship Grant shall be based on any of the following:

...

- (f) Excessive cost due to accessibility and fire code requirements:
 - (1) The district is eligible for a Modernization Excessive Cost Hardship Grant equal to three percent of the Modernization Grant for accessibility and fire code requirements. In lieu of three percent, the district has the option of requesting 60 percent of the amount determined in (A), not to exceed 60 percent of the amount determined in (B):
 - (A) Determine the difference of the verified hard construction costs of the minimum accessibility and fire code work necessary to receive approval from the DSA minus seven percent of the sum of the Modernization Grant and the district matching share of the Modernization Grant pursuant to Section 1859.79.
 - (B) Determine the difference of 1. minus 2.:
 - 1. Multiply the pupils requested in the application by the New Construction Grant.
 - 2. The sum of the State and district share of the pupils requested on the Form SAB 50-04 multiplied by the grant determined pursuant to Section 1859.78 and 1859.78.3.
 - (2) Projects constructed pursuant to Section 1859.79.2(a)(1) may be provided a Modernization Excessive Cost Hardship Grant equal to three percent of the Modernization Grant.
 - (3) The district is eligible for a Modernization Excessive Cost Hardship Grant of:
 - (A) \$80,000 for each new two-stop elevator required to be included in the project by the DSA if the Approved Application was received on or before April 29, 2002.
 - (B) \$60,000 for each new two-stop elevator required to be included in the project by the DSA if the Approved Application is received after April 29, 2002.
The amounts shown in (A) and (B) above shall be adjusted annually in the manner prescribed in Section 1859.78.
 - (4) The district is eligible for a Modernization Excessive Cost Hardship Grant of:
 - (A) \$14,400 for each additional stop of the new elevator required in (3) above if the Approved Application was received on or before April 29, 2002.
 - (B) \$10,800 for each additional stop of the new elevator required in (3) above if the Approved Application was received after April 29, 2002.

The amounts shown in (A) and (B) above shall be adjusted annually in the manner prescribed in Section 1859.78.

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

Reference: Sections 17072.32, 17074.15, 17074.16, 17075.10, 17075.15, 17077.40, 17077.42 and 17077.45, Education Code.

APPLICATION FOR FUNDING SCHOOL FACILITY PROGRAM

SAB 50-04 (REV 06/06 10/07)

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.
- DSA approval letter for elevator to meet handicapped compliance, if funding is requested.
- 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

SAB 50-04 (REV 06/0610/07)

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), [seismic replacement or seismic rehabilitation for the Most Vulnerable Category 2 Buildings](#), or rehabilitation pursuant to Section 1859.83 (e), check the appropriate box(es).

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

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

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

2. Type of Project

a. Select the type of project that best represents this application request and enter the total number of pupils assigned to the project for each grade group. Include pupils to be housed in a new or replacement school authorized by Section 1859.82 (a). The amount entered cannot exceed the district's baseline

eligibility determined on Form SAB 50-03 and will be the basis for the amount of the new construction or modernization grants provided for the project.

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

- b. Check the box if the project is eligible for funding for 50 year or older permanent buildings and report, at the option of the district:
- The total number of eligible classrooms or the total eligible square footage building area at the site. Refer to Section 1859.78.6(b)(1)(A) or (b)(2)(A).
 - The total number of permanent classrooms or the total permanent square footage building area that is at least 50 years old and not been previously modernized with state funds. Refer to Section 1859.78.6(b)(1)(B) or (b)(2)(B).
 - Enter the greater percentage as calculated under Regulation Section 1859.78.6(b)(1)(C) or Regulation Section 1859.78.6(b)(2)(C).
 - If this project includes eligible 50 year or older pupil grants, enter the appropriate number assigned to the project for each grade group. The number of pupils entered cannot exceed the cumulative number of 50 year or older permanent buildings pupil grants requested for all modernization funding applications for the site as determined by using the percentage factor above.
- c. If this request includes pupil grants generated by an Alternative Enrollment Projection Method, enter the number of pupils by grade level.
- d. Indicate if this request is for funding of a 6–8 school and/or an Alternative Education School.
- e. 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.
- f. If the request is for replacement facilities pursuant to Section 1859.82 (a) or (b) on the same site, check the facility hardship box.

3. Number of Classrooms

Enter the:

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

4. Financial Hardship Request

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

5. New Construction Additional Grant Request

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

- a. Therapy area in square feet as provided in Section 1859.72.
- b. Multilevel classrooms in the P&S pursuant to Section 1859.73.
- c. Check the box if the district is requesting project assistance pursuant to Section 1859.73.1. If the district has not submitted a request for new construction baseline eligibility on a district-wide basis, it must submit a current Form SAB 50-01 based on district-wide enrollment data with this form.
- d. 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 (including seismic replacement), enter the square footage requested as provided in Section 1859.82(a) or (b).

h. If the request for seismic rehabilitation does not exceed 50 percent of the current replacement cost of the classroom or related facility, report 50 percent of the health/safety seismic mitigation cost and the ancillary costs as authorized by Section 1859.82(a).

- ih. Enter the square feet of eligible replacement area as provided by Section 1859.73.2.
- ji. 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).
- kj. 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 a new two-stop elevator(s) and for additional stops in a modernization project are allowed only if required by the Division of the State Architect (DSA). Attach copy of the DSA letter that requires that the elevator(s) be included in the project for handicapped access compliance.

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

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

8. Project Priority Funding Order

Enter the priority order of this project in relation to other new construction applications submitted by the district on the same date. If applications are not received on the same date, the OPSC will assign a higher district priority to the application received first. Check the box(es) if the project meets the criteria outlined in

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Section 1859.92(c)(3),(4) and (6), as appropriate. This information is needed for purposes of priority points.

9. Prior Approval Under the LPP

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

10. Prior Apportionment Under the SFP

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

11. Preliminary Apportionment to a Final Apportionment

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

12. Alternative Developer Fee

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

13. Adjustment to New Construction Baseline Eligibility

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.

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.

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

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

1. Type of Application—Check Only One

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

Separate Apportionment

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

2. Type of Project

- a. Elementary School
 Middle School
 High School

Total Pupils Assigned:

K-6: _____
 7-8: _____
 9-12: _____
 Non-Severe: _____
 Severe: _____

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

Total Eligible Classrooms/Square Footage: _____
 Classroom/Square Footage at Least 50 Years Old: _____
 Ratio of 50 Years Old Classrooms/Square Footage: _____ %
 From 2a above, how many are 50 Year or Older Pupil Grants?

K-6: _____
 7-8: _____
 9-12: _____
 Non-Severe: _____
 Severe: _____

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

K-6: _____
 7-8: _____
 9-12: _____
 Non-Severe: _____
 Severe: _____

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

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

Is this an Alternative Education School? Yes No

- e. 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:

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

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

5. New Construction Additional Grant Request—New Construction Only

- a. Therapy: Toilets (sq. ft.) _____
 Other (sq. ft.) _____

- b. Multilevel Construction (CRS): _____

- c. Project Assistance

- d. Site Acquisition:
- Leased Site
 - Additional Acreage to Existing Site
 - Addition to Existing Site
- (1) 50 percent Actual Cost: \$ _____
 (2) 50 percent Appraised Value: \$ _____
 (3) 50 percent Relocation Cost: \$ _____
 (4) 2 percent (min. \$25,000): \$ _____
 (5) 50 percent DTSC Fee: \$ _____

- e. 50 percent hazardous waste removal: \$ _____

- Response Action (RA)

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- 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.):
h. Seismic Rehabilitation [Section 1859.82(a)]
Seismic Costs \$
Ancillary Costs \$
ih. Replacement area
Toilet (sq. ft.):
Other (sq. ft.):
ji. Energy Efficiency: %
kj. 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: %
Handicapped Access/Fire Code (3 percent)
Number of 2-Stop Elevators:
Number of Additional Stops:
Small Size Project
Urban/Security/Impacted site

8. Project Priority Funding Order—New Construction Only

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

Project meets:

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

9. Prior Approval Under the LPP

New Construction: 22/
Modernization: 77/

10. Prior Apportionment Under the SFP

Site/Design—New Construction: 50/
Design—Modernization: 57/

11. Preliminary Apportionment to Final Apportionment

Preliminary Apportionment Application Number: #

12. Alternative Developer Fee—New Construction Only

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

13. Adjustment to New Construction Baseline Eligibility

- 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

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

18. Construction Delivery Method

- Design-Bid-Build
Design-Build
Developer Built
Lease Lease-Back
Energy Performance Contract
Other:

**APPLICATION FOR FUNDING
SCHOOL FACILITY PROGRAM**

19. Architect of Record or Licensed Architect Certification

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

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

ARCHITECT OF RECORD OR LICENSED ARCHITECT (PRINT NAME)

SIGNATURE

DATE

20. Architect of Record or Design Professional Certification

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

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

ARCHITECT OF RECORD OR DESIGN PROFESSIONAL (PRINT NAME)

SIGNATURE

DATE

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,
- 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 Fund or will be expended by the district prior to the notice of completion for the project; and,

APPLICATION FOR FUNDING SCHOOL FACILITY PROGRAM

- 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 51226.1; and
- If the district is requesting an Additional Grant for Energy Efficiency pursuant to Sections 1859.71.3 or 1859.78.5, the increased costs for the energy efficiency components in the project exceeds the amount of funding otherwise available to the district; and
- If this application is submitted after January 1, 2004 for modernization funding, the district has considered the potential for the presence of lead-containing materials in the modernization project and will follow all relevant federal, state, and local standards for the management of any identified lead; and
- The district has or will initiate and enforce a Labor Compliance Program that has been approved by the Department of Industrial Relations, pursuant to Labor Code Section 1771.7, if the project is funded from Propositions 47 or 55 and the Notice to Proceed for the construction phase of the project is issued on or after April 1, 2003; and,
- Beginning with the 2005/2006 fiscal year, the district has complied with Education Code Section 17070.75(e) by establishing a facilities inspection system to ensure that each of its schools is maintained in good repair; 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).