

STATE ALLOCATION BOARD

707 Third Street
West Sacramento, CA 95605
<http://www.dgs.ca.gov/opsc>



FOR IMMEDIATE RELEASE:
November 18, 2010

Contact:
Eric Lamoureux
916-376-5038

Release of Funds for First Round of Shovel-Ready Prioritization for School Construction Funding

(Sacramento, CA) – The State Allocation Board (SAB) today announced that \$408 million has been released for 78 school construction projects statewide. These projects are shovel-ready projects to build new schools and modernize old facilities. Under the Priorities in School Construction Funding program, the construction projects must begin work within three months.

“The success of the first priority funding round allows currently available State funding to benefit California schools quickly,” said Cynthia Bryant of the SAB. “We were able to put taxpayer investments in school infrastructure to work promptly, creating jobs and stimulating the economy.”

Prior to the Priorities in School Construction Funding pilot program, apportionments were granted based on the receipt and approval dates of complete funding applications, or on a first in, first out basis. Each approved project had up to 18 months to request release of the State funds.

A second priority funding round was approved by the SAB in October. Funding available for the second priority funding round will include any cash that becomes available to the School Facility Program (SFP) by December 10, 2010, including SFP proceeds made available by the proposed November bond sale and project rescissions. The SAB will make the apportionments at the December 15, 2010 SAB meeting. Additional priority rounds can be authorized by the SAB as cash becomes available.

“The continuation of priority funding rounds will give an additional boost to the economy by providing much needed school facility funds and creating local construction jobs in school districts throughout California,” said Bryant.

In order to qualify for funding under a priority funding round, school districts with an approved project must have at least half of the construction contracts for the project in place and certify that they have local matching funds, usually at least 50 percent of the total project cost, in hand. Additionally, these projects must request State funds within 90 days of receiving an apportionment. Financially challenged school districts can also compete for prioritized funding to purchase sites or begin design work.

The SAB is responsible for determining the allocation of voter-approved school construction bonds, as well as the administration of the School Facility Program, the State Relocatable Classroom Program and the Deferred Maintenance Program. The SAB is the policy level body for programs administered by the Office of Public School Construction, which provides the staff and support for state financing of school facilities. Funds for these projects are provided by bonds authorized under Propositions 1D, 47 and 55.