

New Construction and Modernization Eligibility and Grant Determination

C.A.S.H. Workshop

July 21, 2009

9:00 a.m. – 1:00 p.m.

Art Hand

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**SCHOOL
FACILITY
CONSULTANTS**

Introduction to the School Facility Program

- Overview: Tips and Tools
- Eligibility
- Funding
- Program Accountability
- What's New

School Facility Program

Established in 1998 with the passage of SB 50 by the legislature and Prop 1A by the voters.

Funded exclusively by Statewide Bond Measures:

November 1998 –	Prop 1A \$6.7 billion
November 2002 –	Prop 47 \$11.4 billion
March 2004 –	Prop 55 \$9.8 billion
November 2006 –	Prop 1D \$10.4 billion
2010 –	Stay Tuned!



Determining New Construction Eligibility:

- Compares existing capacity to existing and anticipated enrollment (Complete Forms SAB 50-01, 50-02, 50-03)
- Enrollment projections using weighted cohort survival methodology
- Can supplement enrollment projection with approved tract maps –new dwelling units
- Must be re-justified annually

Enrollment Certification/ Projection (Form SAB 50-01)

- This form is used to collect information about the district's current and historical enrollment and to project that data five years into the future
- Alternate methodology can be used by districts under AB 1014
- Report New Dwelling Units

Enrollment Certification/ Projection (*continued*)

- District wide or HSAA
- Four years of CBEDS data
- Break-out Special Day Class & Continuing High Students from CBEDS
- Augment the enrollment projection based on number of pupils that will reside in dwelling units in approved tract maps or valid tentative maps

Existing School Building Capacity (continued)

Adjust capacity for the following:

- Eligible classroom exclusions
- Substantial Enrollment Requirement (SER or MTYRE Hit)
 - Eliminated by AB16 for High School Districts

Form SAB 50-02

STATE OF CALIFORNIA
EXISTING SCHOOL BUILDING CAPACITY
SCHOOL FACILITY PROGRAM
SAB 50-02 (Rev. 09/09)

STATE ALLOCATION BOARD
OFFICE OF PUBLIC SCHOOL CONSTRUCTION
Page 4 of 4

SCHOOL DISTRICT _____ FIVE DIGIT DISTRICT CODE NUMBER (see California Public School Code) _____
COUNTY _____ HIGH SCHOOL ATTENDANCE AREA/AREA/LOCAL SUPER HEAM (Appendix A)

PART I - Classroom Inventory NEW ADJUSTED

	K-6	7-8	9-12	Non- Severe	Severe	Total
Line 1. Leased State Relocatable Classrooms						
Line 2. Portable Classrooms leased less than 5 years						
Line 3. Interim Housing Portables leased less than 5 years						
Line 4. Interim Housing Portables leased at least 5 years						
Line 5. Portable Classrooms leased at least 5 years						
Line 6. Portable Classrooms owned by district						
Line 7. Permanent Classrooms						
Line 8. Total (Lines 1 through 7)						

PART II - Available Classrooms

Option A:

	K-6	7-8	9-12	Non- Severe	Severe	Total
a. Part I, line 4						
b. Part I, line 5						
c. Part I, line 6						
d. Part I, line 7						
e. Total (A, b, c, & d)						

Option B:

	K-6	7-8	9-12	Non- Severe	Severe	Total
a. Part I, line 8						
b. Part I, lines 1, 2, 5 and 6 (total only)						
c. 25 percent of Part I, line 7 (total only)						
d. Subtract c from b (enter # if negative)						
e. Total (a minus d)						

PART III - Determination of Existing School Building Capacity

	K-6	7-8	9-12	Non- Severe	Severe
Line 1. Classroom capacity					
Line 2. SER adjustment					
Line 3. Operational Grants					
Line 4. Greater of line 2 or 3					
Line 5. Total of lines 1 and 4					

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

- I am designated as an authorized district representative by the governing board of the district; and,
- This form is an exact duplicate (verbatim) of the form provided by the Office of Public School Construction (OPSC). In the event a conflict should exist, then the language in the OPSC form will prevail.

SIGNATURE OF DISTRICT REPRESENTATIVE _____ DATE _____
/s/ _____

Eligibility Determination (Form SAB 50-03)

- Compares the information from the SAB 50-01 and 50-02 (first two forms) to determine if the district is eligible for new construction grants

Form SAB 50-03

LOCAL DISTRICT: _____ DISTRICT REPRESENTATIVE (SEE INSTRUCTIONS FOR DISTRICT REPRESENTATIVE): _____
 DISTRICT ADDRESS: _____ DISTRICT ADDRESS (FOR MAILING PURPOSES ONLY): _____
 CITY: _____

Part I - District Representative Information
 The following individuals have been designated as district representatives by school board minutes or the designee of the Superintendent of Public Instruction:

DISTRICT REPRESENTATIVE	PHONE NUMBER	FAX NUMBER

Part II - New Construction Eligibility Determination NEW ADJUSTED

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

Part III - Modernization Eligibility Determination NEW ADJUSTED

1. School Name: _____

Option A	K-6	7-8	9-12	Non-Severe	Severe
2. Permitted capacity of least 25 years old					
3. Portable classrooms of least 20 years old					
4. Total (Lines 2 and 3)					
5. Available space (Line 2) minus (Line 4)					
6. CREDS enrollment at school					
7. Modernization Eligibility (Line 5 minus Line 6)					

Option B

Option B	K-6	7-8	9-12	Non-Severe	Severe
2. Permitted space of least 25 years old (report by classroom square footage)					
3. Portable space of least 20 years old					
4. Total (Lines 2 and 3)					
5. Remaining permanent and portable space (report by classroom or square footage)					
6. Total Lines 4 and 5					
7. The average (SAB Line 4) by (Line 6)					
8. CREDS enrollment at school					
9. Modernization Eligibility (Line 7 by max 5 grade group reported on Line 8)					

I certify, as the District Representative, that the information reported on this form is true and correct and that:
 • I am designated as an authorized district representative by the governing board of the district or the designee of the Superintendent of Public Instruction; and
 • A resolution or other appropriate documentation supporting this application under Chapter 10.5, Part 10, Division 1, commencing with Section 100100, 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 _____, 19____.

This form is an exact duplicate (including the form provided by Office of Public School Construction). In the event a conflict should exist, then the language in the OPSC Form B prevails.

DATE OF PRINTING: 06/06/98 (REV 06/98)

DATE: _____

NAME: _____

TITLE: _____

New Construction Eligibility Application Process

- Is the new construction eligibility application complete?
 - If yes, then OPSC processes
 - OPSC will conduct a site visit to verify information
 - If no, then OPSC requests needed information
 - 24 hour letter, 15 day letter, 4 day letter
 - Unable to comply? Application may be returned unprocessed

New Construction Eligibility Updates/Timing

- Already Established Eligibility?
 - Update starting November 1st each year for eligibility that can be accessed until October 31st of the next year
 - Be aware of any capacity adjustments required in Regulations
 - Section 1859.51
 - Locally Funded Projects
 - 150% Rule Adjustments
 - State Relocatables that are purchased

Determining Modernization Eligibility

- Applications are site specific
- Eligibility is generated by:
 - Permanent buildings that are at least 25 years old
 - Relocatable buildings that are at least 20 years old
- Date of building is determined by DSA approval date plus 12 months

Determining Modernization Eligibility (*continued*)

- Building must not have been modernized with state funds in last 25 years, if permanent, or 20 years, if portable
- Must have pupils assigned to the site
- Once established, eligibility is locked in to protect from enrollment declines in future years. Eligibility can increase if enrollment increases or if additional facilities 'turn over'

Determining Modernization Eligibility (continued)

- Three Ways to Calculate Modernization Eligibility
 - Number of eligible teaching stations multiplied by student loading factor or CBEDS, whichever is less (Option A)
 - Percentage of eligible teaching stations multiplied by CBEDS enrollment (Option B – Classrooms)
 - Percentage of eligible square footage multiplied by CBEDS enrollment (Option B – Square Footage)

Form SAB 50-03

Part III - Modernization Eligibility Determination NEW ADJUSTED

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

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

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

SIGNATURE OF DISTRICT REPRESENTATIVE		DATE
NAME OF DISTRICT REPRESENTATIVE (PRINT OR TYPE)	E-MAIL ADDRESS	TELEPHONE

Modernization Eligibility Application Process

- Is modernization eligibility application complete?
 - If yes, then OPSC processes
 - OPSC will conduct a site visit to verify information
 - If no, then OPSC requests needed information
 - 24 hour letter, 15 day letter, 4 day letter
 - Unable to comply? Application may be returned unprocessed

Questions?

Funding Requests

- The School Facility Program funds projects that are essentially through the design phase and are ready to begin construction, with the exception of:
 - Financial Hardship districts (including COEs)
 - Charter School Program
 - Joint – Use Projects (Type II)
 - Career Technical Education

Funding Request Overview:

- To Apply for New Construction and Modernization Funding you must have:
 - School Facility Program Eligibility
 - CDE Approval Letter (plan and site), which may require additional approvals, such as:
 - Department of Toxic Substances Control (DTSC)
 - CEQA compliance
 - Department of Transportation, Division of Aeronautics
 - Hazardous Pipeline Assessment
 - DSA Approved Plans, Specs and Approval Letter

➤ Need DSA Approval
Letter prior to signing
construction contracts!

Funding Steps:

- District submits application for funding (SAB 50-04)
- OPSC reviews the package
- SAB approves the project
- District requests a fund release (SAB 50-05)
- Spend the money
- Substantial Progress
- Report the expenditures (SAB 50-06)
- OPSC audits
- PIW (Project Information Worksheet)

Application for Funding (SAB 50-04)

- This form provides OPSC with project information to determine the new construction grant including grade level, number of pupils, need for site acquisition and additional grants.

A Complete Application

In addition to an SAB 50-04, *Application for Funding*:

- DSA approved plans, specifications, and letter
- Local agency approvals of Site Development Plans
- Site Development Worksheet for Additional Grants
- CDE Plan Approval
- CDE Site Approval
- Career Technical Education Certification
- Contract Dates, Notice to Proceed
- Construction Delivery Method

Required Documents

New Construction Funding Required Documents

DOCUMENT	TYPE OF FUNDING			
	DESIGN ONLY	SITE ONLY	SITE AND DESIGN	CONSTRUCTION
Appraisal of property to be acquired when appropriate* (preliminary appraisal of property for separate site)		✓	✓	✓
Escrow closing statement or court order				✓
CDE approval of site* (contingent CDE approval of site for separate site)		✓	✓	✓
Final DSA plan approval				✓
CDE approval of plans				✓
Cost estimate for site development†				✓
Plan† and cost estimate for off-site development when funding is requested				✓

New Construction Funding

Grant Amounts as of the February 25, 2009 SAB:

- \$9,369 Elementary
- \$9,909 Middle
- \$12,607 High
- \$17,605 SDC Non-Severe
- \$26,324 SDC Severe

New Construction Supplemental Grants

- Site Acquisition
- Site Development
- Geographic Location
- Urban, Security, Impacted Site
- Fire Code Requirements
- High Performance
- Special Education Therapy
- Multi-level construction
- Project Assistance (less than 2,500 ADA)
- Replacement w/multi-story construction
- New School Project
- Small Size Project (less than 101 or 200 grants)

Commonly Missed Opportunities

- Site Development Additional Grants
 - Money is frequently left on the table by missing eligible site development costs
 - Consider utilizing the services of a consultant that has extensive knowledge in cost estimating
 - Meet with PVT (Plan Verification Team) staff early to identify “hidden” eligible items

Commonly Missed Opportunities (continued)

- Site Acquisition
 - Purchasing more land than CDE recommends for the master plan capacity of the site...
 - OPSC prorates the service site, off-site, and general site development grants and site acquisition funding by the amount of the “excess” site acreage

➤ **Must submit your funding application to the OPSC prior to occupancy.**

Modernization Funding

Grant Amounts as of the February 25, 2009 SAB:

- \$3,568 Elementary
- \$3,774 Middle
- \$4,940 High
- \$7,605 SDC Non-Severe
- \$11,366 SDC Severe

Supplemental Grants

- 50+ Year Old Buildings
- Site Utilities (only for 50+ Year Old Buildings)
- Fire Alarm
- ADA/Fire Code and/or Elevators
- Urban, Security, Impacted Site
- Geographic
- High Performance
- Project Assistance (under 2500 ADA)
- Small Size Project (less than 101 or 200 grants)

Common Modernization Issues

- Minimum Grant Request
 - A Project must request a minimum of 101 grants or ALL of its eligibility to access funding
 - For 2009, this will mean a minimum construction value of more than \$360,368 for a K-6 project (assuming 101 K-6 grants) and more for Middle and High
 - Due to this restriction and local matching issues, some districts have had to leave augmentation funds behind

Common Modernization Issues (continued)

- Review eligibility EVERY YEAR!
 - Enrollment changes / Facility 'turn-over'
- Evaluate switching 'Options' (e.g. from Option A to Option B)
- Time projects to utilize 50+ Year Old Grants
- Reimbursement Projects

Questions?

Project Information Worksheet

PROJECT INFORMATION WORKSHEET (NEW 09/07)

STATE OF CALIFORNIA – DEPARTMENT OF GENERAL SERVICES
STATE ALLOCATION BOARD
PAGE 6 OF 7

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 status of the bid climate.

COMPLETED BY		TITLE	
PHONE NUMBER		DATE COMPLETED	
APPLICATION NUMBER(S)			
SCHOOL DISTRICT		COUNTY	
PROJECT TRACKING NUMBER		PROJECT NAME	
REPORTING PERIOD			
<input type="checkbox"/> FUND RELEASE (FORM SAB 50-05) <input type="checkbox"/> ANNUAL REPORTING PERIOD (FORM SAB 50-06) PERCENT COMPLETED _____			

PROJECT FUNDING

1. Is this a Financial Hardship Project? Yes No

	AMOUNT	ESTIMATE	ACTUAL
2. Funds Available:			
a. Total Amount of State Apportionment(s):	\$	<input type="checkbox"/>	<input type="checkbox"/>
1. Project:	\$	<input type="checkbox"/>	<input type="checkbox"/>
2. Joint-Use (if applicable):	\$	<input type="checkbox"/>	<input type="checkbox"/>
b. Interest Earned on State Apportionment for this project:	\$	<input type="checkbox"/>	<input type="checkbox"/>
c. Total District Match:	\$	<input type="checkbox"/>	<input type="checkbox"/>
1. Project:	\$	<input type="checkbox"/>	<input type="checkbox"/>
2. Joint-Use (if applicable):	\$	<input type="checkbox"/>	<input type="checkbox"/>
d. Additional Local Funds Necessary to Complete State Funded Project:	\$	<input type="checkbox"/>	<input type="checkbox"/>

PROJECT COSTS

	AMOUNT	ESTIMATE	ACTUAL
1. Total cost for site acquisition (State share & District amount):	\$	<input type="checkbox"/>	<input type="checkbox"/>
2. Bid/Construction Contract Data:			
a. Accepted Base Bid Amount Prior to additive/deductive alternates:	\$	<input type="checkbox"/>	<input type="checkbox"/>

Program Accountability

- Progress Report and Audit
 - 18 months to successfully bid and award a project from the time the SAB funds your Application for Funding (Form SAB 50-04)
 - 18 months from the release of funds to show substantial progress on the project by demonstrating at least one of the following:
 - Complete 75% of Site Development work necessary to complete construction
 - Contract for 90% of the construction activities
 - Complete 50% of the construction activities

Program Accountability (continued)

- Project must be complete or all contracts signed within 3 years for an elementary school and 4 years for a middle school or high school project from the date of the last project fund release.
- All change orders must be DSA approved prior to the district's final expenditure report being filed with OPSC.

The Audit

- Post-occupancy reviews may be performed in conjunction with the DSA and the CDE to verify the district performed the work as requested in the *Application for Funding* (Form SAB 50-04).
- For New Construction projects, the number of classrooms built will be compared to the number of classrooms requested on the Form SAB 50-04.

The Audit (continued)

- For modernization projects, the architect's cost will be reviewed and compared to actual work done in the modernization of particular facilities.

The Audit (continued)

Verification of Certifications on Forms SAB 50-04 and 50-05

- Matching share was deposited
- Minimum amount deposited into the Routine Restricted Maintenance Account
- District followed Public Contract Code
- DVBE requirements
- District used Qualifications Appraisal standards (Government Code 4526)
- Labor Compliance Program
- Matching funds either expended, deposited or will be expended prior to NOC

Status of State Money and Programs

- Regulation Changes
 - Inactive Apportionments
 - “Stopping the Clock”
 - 18-month Fund Release Deadlines
 - 12-month Final Design Deadlines
- Unfunded Approvals
- PMIB-Funds Frozen

Contact Information

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Questions?