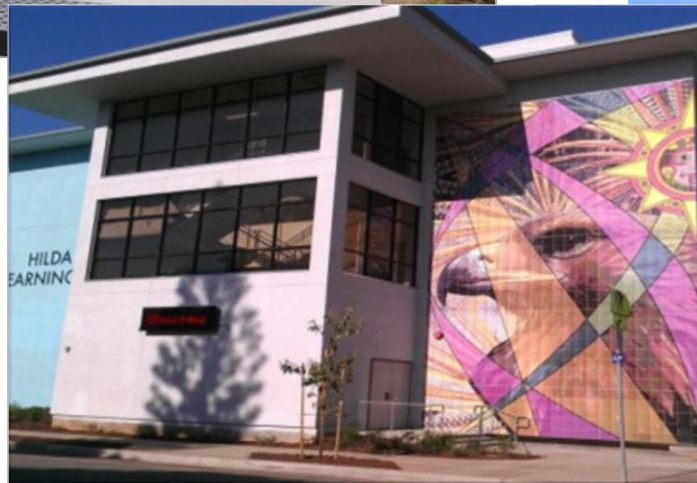


Office of Public School Construction

School Facility Program Funding

PRESENTATION BY:
Lindsey Gordon- Project Manager
February 19, 2021



About the Office of Public School Construction (OPSC)

- Under the authority of the State of California's Department of General Services.
- Staff to the State Allocation Board (SAB).
- Implements and administers a \$42 billion voter-approved school facilities construction program.

About The School Facility Program

- ▶ The School Facility Program (SFP) was created in 1998. SFP funding is provided in the form of per-pupil grants, with supplemental grants for site development, site acquisition, excessive cost hardship, and other specific project costs when an application is eligible for them.
- ▶ The legislation that created the SFP is also known as the Leroy F. Greene School Facilities Act of 1998.
- ▶ The SFP allows school districts independence and flexibility to determine the scope of new construction or modernization projects. In return, the SFP requires that the school district accept responsibility for the outcome of the project.

School Facility Program

The School Facility Program provides funding to assist school districts in the construction and modernization of school facilities.

- State/Local share varies depending on the program
 - New Construction is a 50/50 requirement
 - Modernization is a 60/40 requirement



State Share + Local Matching Share* = Total Project Funding

*Financial Hardship is available to districts that are unable to meet their local matching share requirement.

History of Bond Funding

- ▶ SFP was originally funded in 1998 with Proposition 1A, which was a \$9.2 billion school bond initiative. It was the largest of its kind passed in our nation's history.
- ▶ Proposition 1A allocated \$6.7 billion to K-12
- ▶ Proposition 47 allocated \$11.4 billion in November 2002
- ▶ Proposition 55 \$10 billion March 2004
- ▶ Proposition 1D \$7.5 billion November 2006
- ▶ Proposition 51 \$7 billion November 2016

Proposition 51

- **Authorized \$7 billion for the School Facility Program**
- New Construction: \$3.0 billion
- Modernization: \$3.0 billion
- Charter School Facility Program: \$500.0 million
- Career Technical Educational Facilities Program: \$500.0 million

New Construction

Purpose

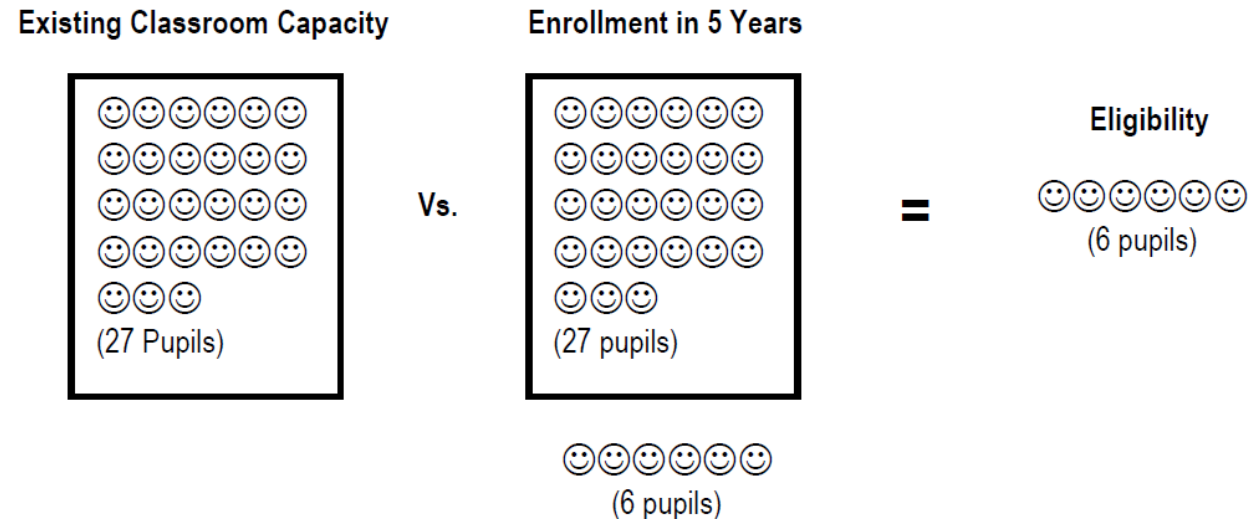
- Provide funding to add classroom capacity to meet future student housing needs
- Funding can be used for new school construction, or classroom additions to existing schools
- Also, funds libraries, multipurpose rooms, gymnasiums, administration and other school facilities **“Other facilities” are aka Minimum Essential Facilities (MEF)**



New Construction

Eligibility is based on projected need to house pupils

- Compares projected enrollment with current classroom capacity



- Eligibility is typically updated on a yearly basis or when a project is being processed, but districts with less than 2,501 pupils may “lock in” eligibility for up to 3 years

New Construction

Funding is provided on a 50/50 State and Local Share basis

- 2021 Per Pupil Grant Amounts

Grade Level	Grant Amount
K - 6	\$12,628
7 - 8	\$13,356
9 - 12	\$16,994
Non - Severe	\$23,731
Severe	\$35,484

- Base grant provides funding for design, construction, testing, inspection, furniture, equipment & other costs for school construction.
- Application must be submitted prior to student occupancy
- Supplemental grants are in addition to base grant

New Construction

- Must update eligibility to the enrollment year in which the application is being processed to support the application request.
- Eligibility must be the current year. If the 90-day notification straddles the cutoff for enrollment years, the district can choose which enrollment year to use by when they submit the Form SAB 50-01, for example:
 - Form SAB 50-01 is submitted on or before October 31, 2021 you will use the 20/21 CBEDS
 - Form SAB 50-01 is submitted on or after November 1, 2021 you will use the 21/22 CBEDS

Modernization

Purpose

- To extend the useful life of existing facilities or enhance the physical environment of a school
- Can be used for a current project or reimburse a completed project
- Funding can also be used to demolish and replace facilities of like kind if additional building area is not being added



Modernization

Eligibility

- Is site specific and funding generated must be used at the same school site
- Permanent buildings must be at least 25 years old
- Portable buildings at least 20 years old
- Based on classroom count or square footage
- Once established, eligibility is not required to be updated
- Permanent buildings 50 years old or older may receive additional funding

Modernization

Funding is provided on a 60/40 State and Local share basis.

- Based on a per pupil grant amount by grade level
- 2021 Per Pupil Grant Amounts

Grade Level	Grant Amount
K - 6	\$4,808
7 - 8	\$5,085
9 - 12	\$6,658
Non - Severe	\$10,253
Severe	\$15,325

Supplemental Grants

Supplemental grants are intended to recognize unique types of projects, geographic locations, and special project needs. These grants are based on formulas outlined in the SFP Regulations. Available supplemental grants include:

- ▶ Accessibility/Fire Code Construction Only)
- ▶ Automatic Fire Detection/Alarm System
- ▶ Automatic Sprinkler System (New Construction Only)
- ▶ Geographic Location
- ▶ New School Project (New Construction Only)
- ▶ Project Assistance
- ▶ Site Acquisition (New Construction Only)
- ▶ Site Development
- ▶ Small Size Project
- ▶ Special Day Class Therapy
- ▶ Two-Stop Elevators (Modernization Only)
- ▶ Urban/Security/Impacted site
- ▶ Multi-Level

Facility Hardship

Purpose of the grant is to provide funding for the minimum work necessary to mitigate a health and safety threat to pupils. Facility Hardship projects do not draw on SFP New Construction or Modernization eligibility.



Structural Deficiency Due to Dry Rot

Facility Hardship

- ▶ Facilities that are in need of repairs due to an existing health and safety threat,

OR

- ▶ Facilities were lost or destroyed due to fire, flood, earthquake, or other disaster

OR

- ▶ Facilities that pose an unacceptable risk to occupants in the event of a seismic event (Seismic Mitigation Program)

Facility Hardship

Types of Projects:

1. Replacement of entire school, with or without site acquisition
2. Replacement of individual buildings and/or facilities on an existing site
3. Rehabilitation of individual buildings or facilities on an existing site

Funding:

- Replacement funding is provided on a 50/50 State and Local share basis
- Rehabilitation funding is provided on a 60/40 State and Local share basis

Seismic Mitigation

- ▶ The Seismic Mitigation Program (SMP) is a subset of the Facility Hardship Program and provides for the seismic repair, reconstruction, or replacement of the “most vulnerable” Category 2 school buildings.
- ▶ SMP also does not require New Construction or Modernization eligibility in order to qualify for funding.
- ▶ Same criteria for cost benefit analysis for if the project will qualify for Replacement or Rehabilitation funding, however both Replacement and Rehab are funded at a 50/50 state and local matching share basis as the authority for SMP projects comes from new construction bond authority.

Career Technical Educational Facilities Program

- ▶ What is the Career Technical Educational Facilities Program (CTEFP)?
 - ▶ A program of study that involves a multiyear sequence of courses that integrates core academic knowledge with technical and occupational knowledge to provide students with a pathway to postsecondary education and careers.
- ▶ Proposition 51 provided CTEFP \$500 million in bond authority. In addition, some funds from the Kindergarten-University Public Education Facilities Bond Act of 2006 (Proposition 1D) were also available.

Career Technical Educational Facilities Program

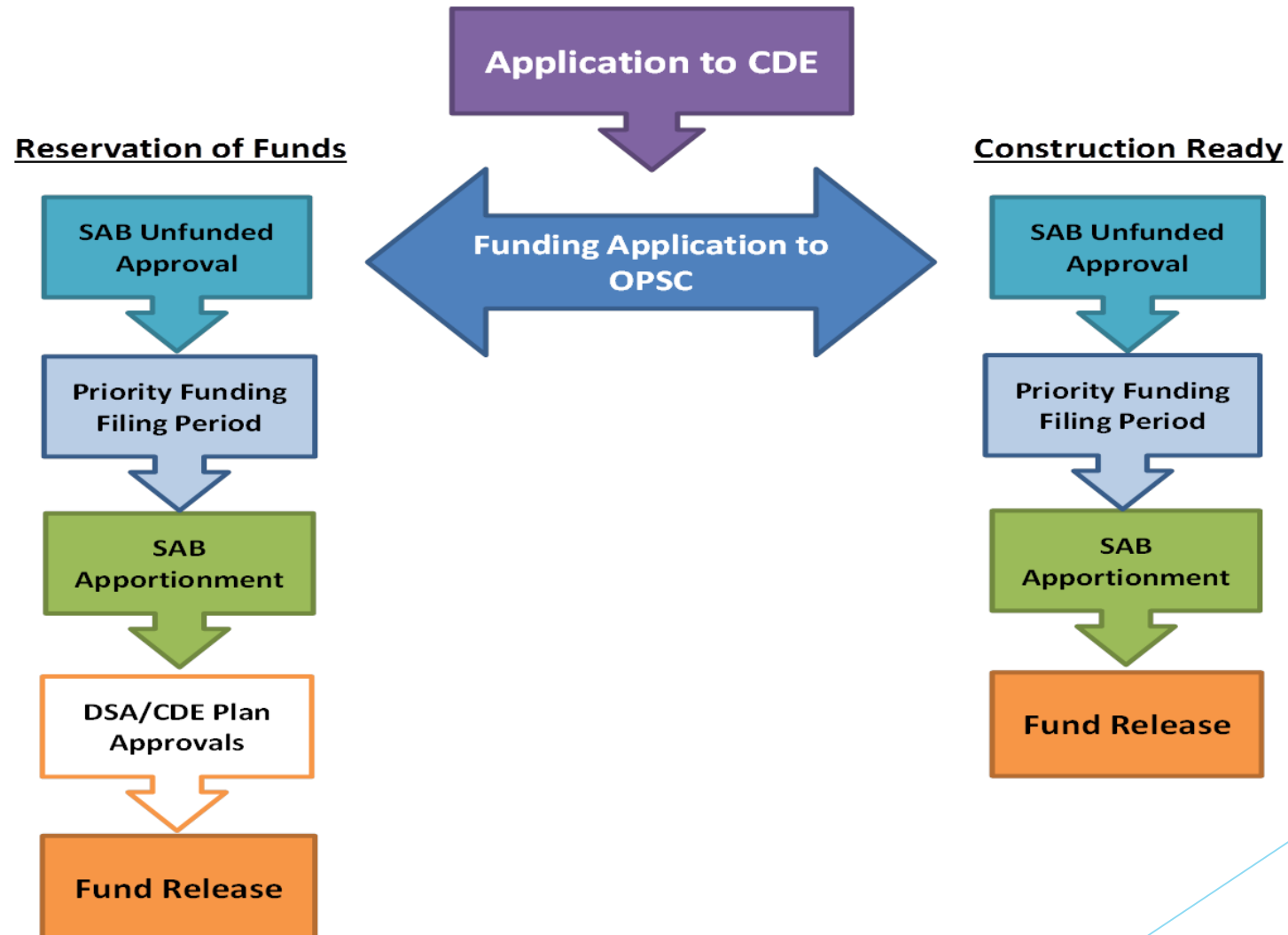
Established in 2006, CTEFP provided funding to School Districts, County Offices of Education (COE) and Joint Powers Authorities (JPA) for:

- Construction of new CTEFP facilities
- Modernization/Reconfiguration of existing CTEFP facilities
- Purchase of CTEFP equipment (with 10-year useful life expectancy)

Career Technical Educational Facilities Program

- In June 2019, the State Allocation Board (Board) approved \$250 million, plus any remaining available funds, for the sixth funding cycle of CTEFP as a result of the passage Proposition 51.
- Funds are now exhausted for this round
- Projects that did not receive funding in the sixth funding cycle will remain on a list for 18 months. If bond authority is returned to CTEFP during that 18 months via project rescissions or withdrawals, funding will be provided to the projects on that list in order of merit.

Career Technical Educational Facilities Program



Charter School Facilities Program

- ▶ Provides funding for classroom facilities
 - ▶ New construction
 - ▶ Adds capacity
 - ▶ Rehabilitation
 - ▶ Rehabilitation/Reconfiguration/Modernization of district owned facilities that are at least 15-years old, for charter use
- ▶ 50/50 program
 - ▶ 50% state grant
 - ▶ 50% applicant contribution or loan

Charter School Facilities Program

- ▶ Applicant can be a charter school on its own behalf, or a school district on behalf of a charter school
- ▶ Must provide classroom-based instruction
 - ▶ Education Code (EC) 47612.5(e)(1).
- ▶ Approved Charter petition in place at the time of application submittal
- ▶ Proposition 51 provided \$500 million in bond authority, however, funds are currently exhausted. As loan payments return funds in the future, new filing rounds may be possible.

Charter School Facilities Program

Preliminary Apportionments

- ▶ Reservation of Bond Authority in advance of all necessary approvals
- ▶ Submit request to convert Preliminary Apportionment to Final Apportionment within 4 years
 - ▶ Needs all necessary state approvals for construction plans and site
 - ▶ Possible one-time, one-year extension
- ▶ Advance fund releases available for design costs and site acquisition
- ▶ Preliminary Apportionment is an estimate of project funding and includes an inflator factor, final funding based on Final Apportionment Application

Charter School Facilities Program

Program Requirements

- ▶ Financial soundness determination by California School Finance Authority (CSFA)
 - ▶ In addition to covering financial obligations plus the loan for the matching share of the project, the Charter School must be able to demonstrate that key staff have two years operating experience or administrative experience for California charter schools
- ▶ Title held by:
 - ▶ School district
 - ▶ Local governmental entity
 - ▶ Charter School
 - ▶ Special requirements per EC 17078.63(a)(3)

Financial Hardship

Purpose of Financial Hardship (FH) is to assist districts and COE that cannot provide their matching share.

New Construction, Modernization & Facility Hardship only.

**New Construction
Non Financial Hardship**

State Share 500K
District Share 500K
Total Project Funding 1M

VS.

**New Construction
Financial Hardship**

State Share 500K
Financial Hardship Share 400K
District Share 100K
Total Project Funding 1M

Financial Hardship

Eligibility Determination - Phase I

District must be levying maximum developer fee justified under law

AND

Meet one of following criteria:

- Long-term debt of 60% or more of debt capacity
- Successful voter bond election within past 2 years
- Be a COE
- Total bonding capacity is \$5 million or less
- Other evidence of reasonable effort approved by the State Allocation Board

Financial Hardship

Eligibility Determination - Phase II

OPSC reviews district facility funds to determine amount of funds available for district match.

- Facility funds are funds 21 through 50
- Review revenues and expenditures for up to past 3 years
- Review transfers in to or out of facility funds
- May examine Special Reserve Funds for availability
- Available funds are reduced by encumbrances

Financial Hardship

Funding & Bridge Financing

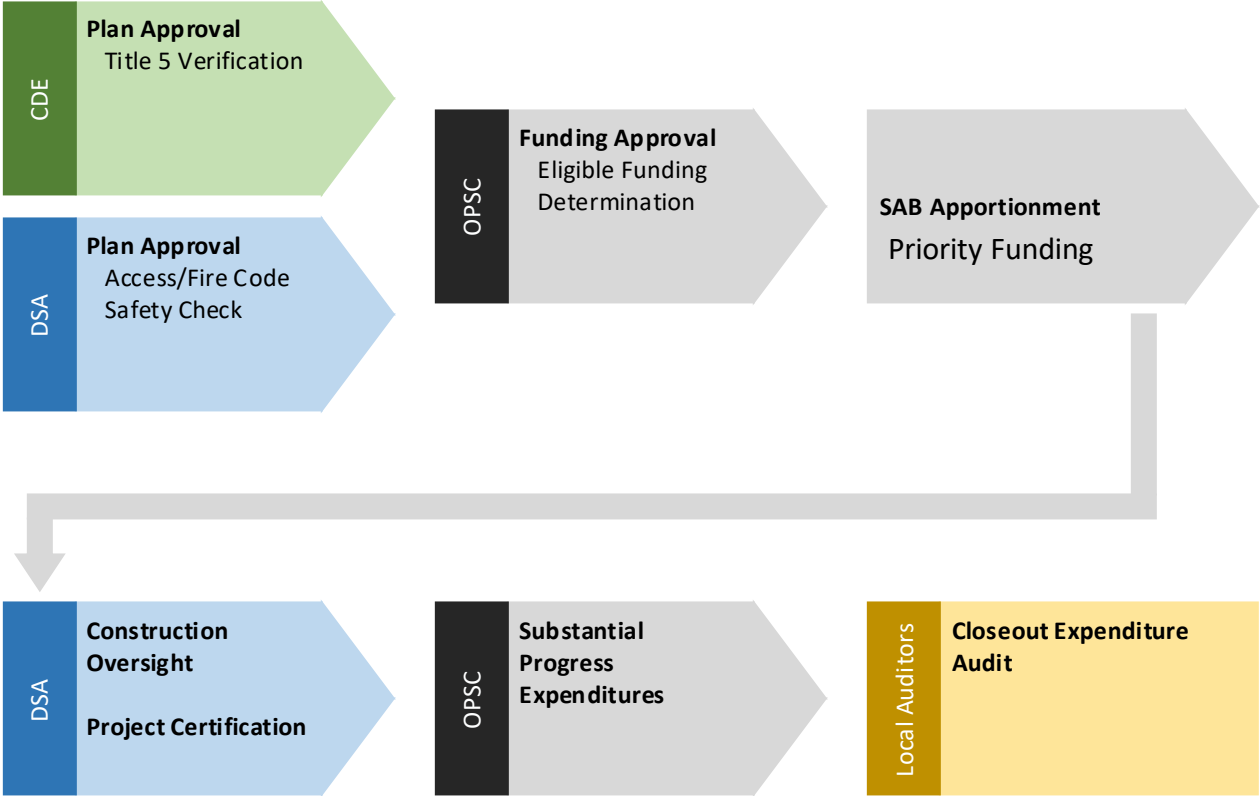
- If available funds are less than the district match, the State will fund the difference between the district match and the district available funds
- Qualifying COE/Districts may request site and/or design funding prior to requesting full funding
- FH approval is valid for 6 months.
- Bridge Financing Policy

Financial Hardship

Review Process

1. District submits funding application, checks box for Financial Hardship request
2. OPSC notifies district 90 days prior to application processing.
3. District submits Financial Hardship documents within 60 days.
4. Financial Hardship Approval and Funding Application processed concurrently.

Project Life Cycle



Unfunded Approvals

- Once a funding application is accepted by OPSC, it will be processed in date order and brought forward to the SAB for an Unfunded Approval.
- Unfunded approvals are not a guarantee of funding, but they do enable a project to receive an Apportionment and eventually a fund release when there are bond sales to provide cash awards.
- Districts must participate in Priority Funding in order to receive an Apportionment and fund release for their recently SAB approved project.

Priority Funding

- The priority funding process was created to allow projects to receive an Apportionment by the SAB.
- Projects with unfunded approvals are placed on the Unfunded List (Lack of AB 55 Loans) to receive an Apportionment and fund release during twice annual bond sales.
- School Facility Program Regulation Section 1859.90.2 requires a school district to submit a written statement that requests to convert the unfunded approval to an Apportionment.
- *Only projects on the Unfunded List (Lack of AB 55 Loans) can make this request.* Any priority funding requests received for projects on the OPSC Workload List will be returned to the district.

Priority Funding

- Priority Funding Round 20: Effective January 1, 2021 - June 30, 2021
(Filing Period will begin November 11, 2020 - Filing Period will end December 10, 2020)
- Priority Funding Round 21: Effective July 1, 2021 - December 31, 2021
(Filing Period will begin May 12, 2021 - Filing Period will end June 10, 2021)

Participation in Priority Funding



Fund Releases

- Priority Funding - 90 days from date of Apportionment to submit a *Fund Release Authorization* (Form SAB 50-05).
- Failure to submit a Form SAB 50-05 within the 90-day period will result in an occurrence of non-participation, or if this is the second occurrence results in the project being rescinded.
- A rescinded application on the first occurrence will revert back to an unfunded approval:
 - Bottom of the unfunded list
 - New unfunded approval date
- Signed Grant Agreement must be received concurrently or prior to submittal of the Form SAB 50-05.

Fund Releases may be submitted on OPSC Online

Grant Agreements

- A Grant Agreement (GA) can be completed as soon as a project receives its Unfunded Approval from the Board and will be sent to the District once an Unfunded Approval is awarded.
- Grant Agreement(s) must be signed by the District Superintendent or authorized District Representative and submitted prior to fund release.
- Copies of GA will be signed by OPSC's Executive Officer with one original copy being returned to the district.

Current Status of Projects Received

- **OPSC Workload List – As of January 31, 2021 (\$2.58 billion)**
 - New Construction – 171 projects, State Share = \$886.7 million
 - Modernization – 756 projects, State Share = \$1.69 billion
- **OPSC Application Received Beyond Bond Authority – As of January 31, 2021 (\$2.161 Billion)**
 - New Construction – 195 projects, State Share = \$916 million
 - Modernization – 508 projects, State Share = \$1.2 billion

Full-Day Kindergarten Facilities Grant Program

- Established in 2018
- One-time grants to increase the number of full-day kindergarten classrooms by either:
 - Constructing new school facilities; or,
 - Retrofitting existing school facilities
- Allows for funding for existing kindergarteners, not growth

Application Submittal Funding Rounds

- \$100 million, less DGS administrative costs (not to exceed 2.5%)
 - Split into two rounds

Round	Available Funds
First Round: January 2, 2019 - January 31, 2019	\$37.5
Second Round: May 1, 2019 – May 30, 2019	\$60.0

- The \$100 million has been allocated to 45 projects
- 2021/2022 proposed governor budget

OPSC Online Resources and Contacts

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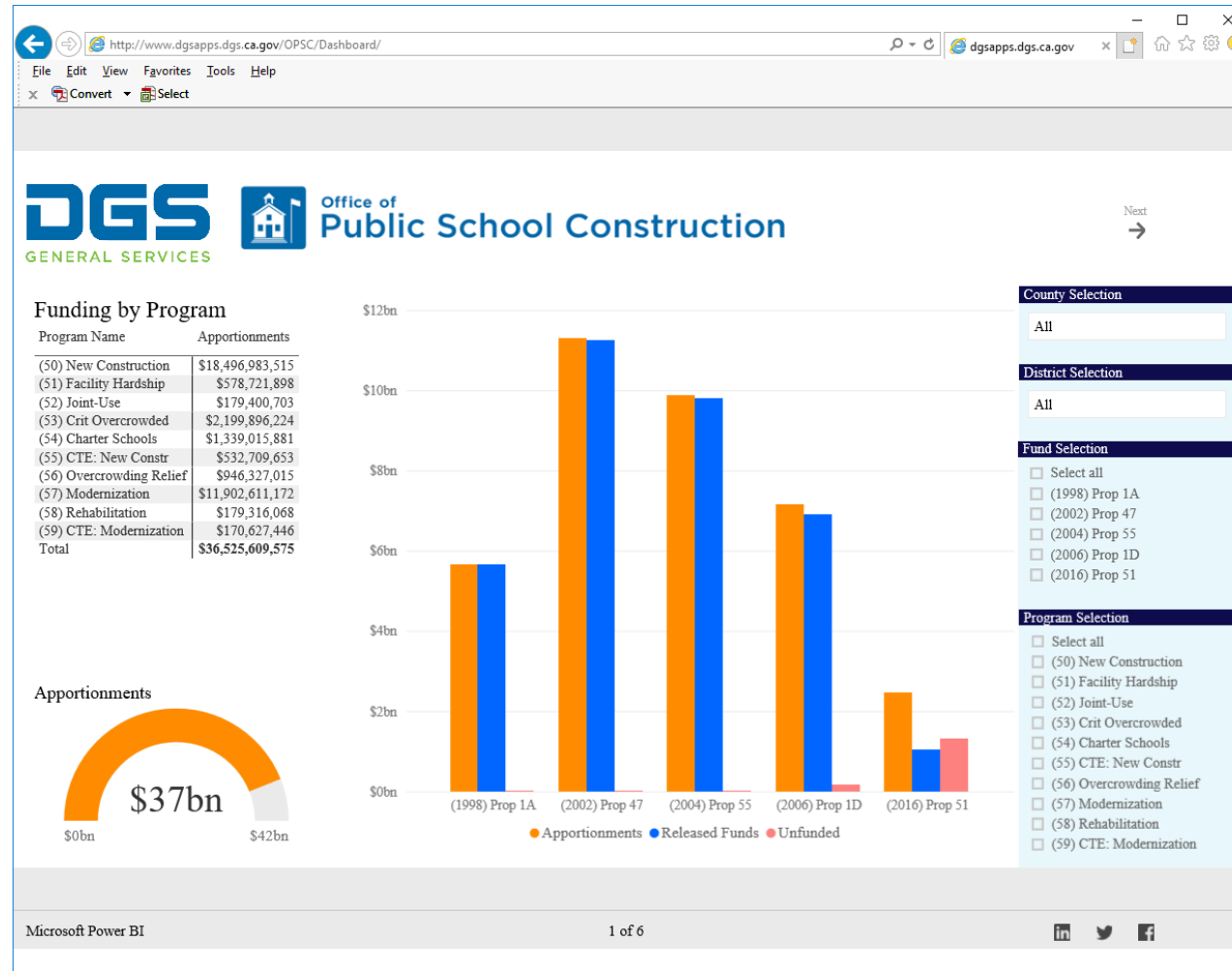
OPSC Online

OPSC Online is now available and includes New Construction, Modernization, Facility Hardship, Seismic Mitigation Program, Career Tech Educational and the Charter School Facilities Program. OPSC Online also allows school districts to do the following:

- ▶ Update school district user specific dashboard to track eligibility and funding applications in real-time.
- ▶ Track each versions of a submitted application and compare resulting grants derived from each version side-by-side.
- ▶ Use the Grants Calculator to view potential project funding based on scenarios.
- ▶ Self-service school district profiles including user management, user profile, and school site information.
- ▶ Submit Priority Funding Requests, 50-05 Submittals, and Expenditure Reports.
- ▶ We encourage to submit your applications through OPSC Online instead of emailing. If a revised application is being submitted through OPSC Online as a response to the 15 and 4-day letters, please notify the reviewing Project Manager after the documents have been uploaded

SFP Data Dashboard


<http://www.dgsapps.dgs.ca.gov/OPSC/Dashboard/>



Browser: <http://www.dgsapps.dgs.ca.gov/OPSC/Dashboard/>

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**Office of
Public School Construction**

GENERAL SERVICES

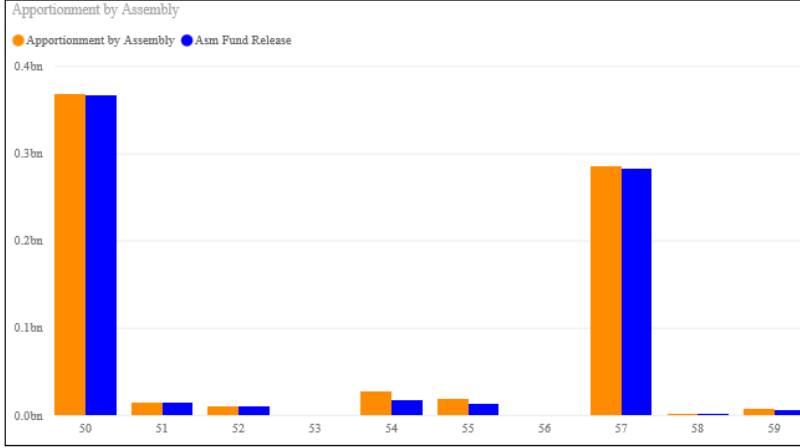
Back ←

Next →

Aguiar-Curry (D-4)	Brough (R-73)	Choi, PhD. (R-68)	Egman (D-13)	Garcia (D-56)	Jones-Sawyer (D-59)	Maienschein (R-77)	Nazarian (D-46)	Rendon (D-63)	Smith (D-38)
Arambula, Dr. (D-31)	Burke (D-62)	Chu (D-25)	Fletcher (D-80)	Garcia (D-58)	Kalra (D-27)	Mathis (R-26)	Obermolte (R-33)	Reves (D-47)	Stone (D-29)
Baker-Kahan (D-16)	Calderon (D-57)	Cooley (D-8)	Flora (R-12)	Gipson (D-64)	Kamlazer-Dove (D-45)	Maves (R-42)	O'Donnell (D-70)	Rivas (D-30)	Ting (D-19)
Berman (D-24)	Carrillo (D-51)	Cooper (D-9)	Fong (R-34)	Gloria (D-78)	Kiley (R-6)	McCarty (D-7)	Patterson (R-23)	Rivas (D-39)	Voepel (R-71)
Bigelow (R-5)	Cervantes (D-60)	Cunningham (R-35)	Frazier (D-11)	Gray (D-21)	Lackey (R-36)	Medina (D-61)	Petrie-Norris (D-74)	Rodriguez (D-52)	Waldron (R-75)
Bloom (D-50)	Chau (D-49)	Dahle (R-1)	Friedman (D-43)	Gravson (D-14)	Levine (D-10)	Melendez (R-67)	Quirk (D-20)	Rubio (D-48)	Weber (D-79)
Boerner Horvath (D-74)	Chen (R-55)	Daly (D-69)	Gabriel (D-45)	Holden (D-41)	Limon (D-37)	Mullin (D-22)	Quirk-Silva (D-65)	Salas (D-32)	Wicks (D-15)
Bonta (D-18)	Chiu (D-17)	Diep (R-72)	Gallagher (R-3)	Irwin (D-44)	Low (D-28)	Muratsuchi (D-66)	Ramos (D-40)	Santiago (D-53)	Wood (D-2)

Apportionment by Assembly

● Apportionment by Assembly ● Asm Fund Release






District	Apportionment by Assembly (bn)	Asm Fund Release (bn)
50	0.35	0.35
51	0.02	0.02
52	0.01	0.01
53	0.00	0.00
54	0.03	0.02
55	0.02	0.01
56	0.00	0.00
57	0.28	0.28
58	0.00	0.00
59	0.01	0.01

Fund Selection

All

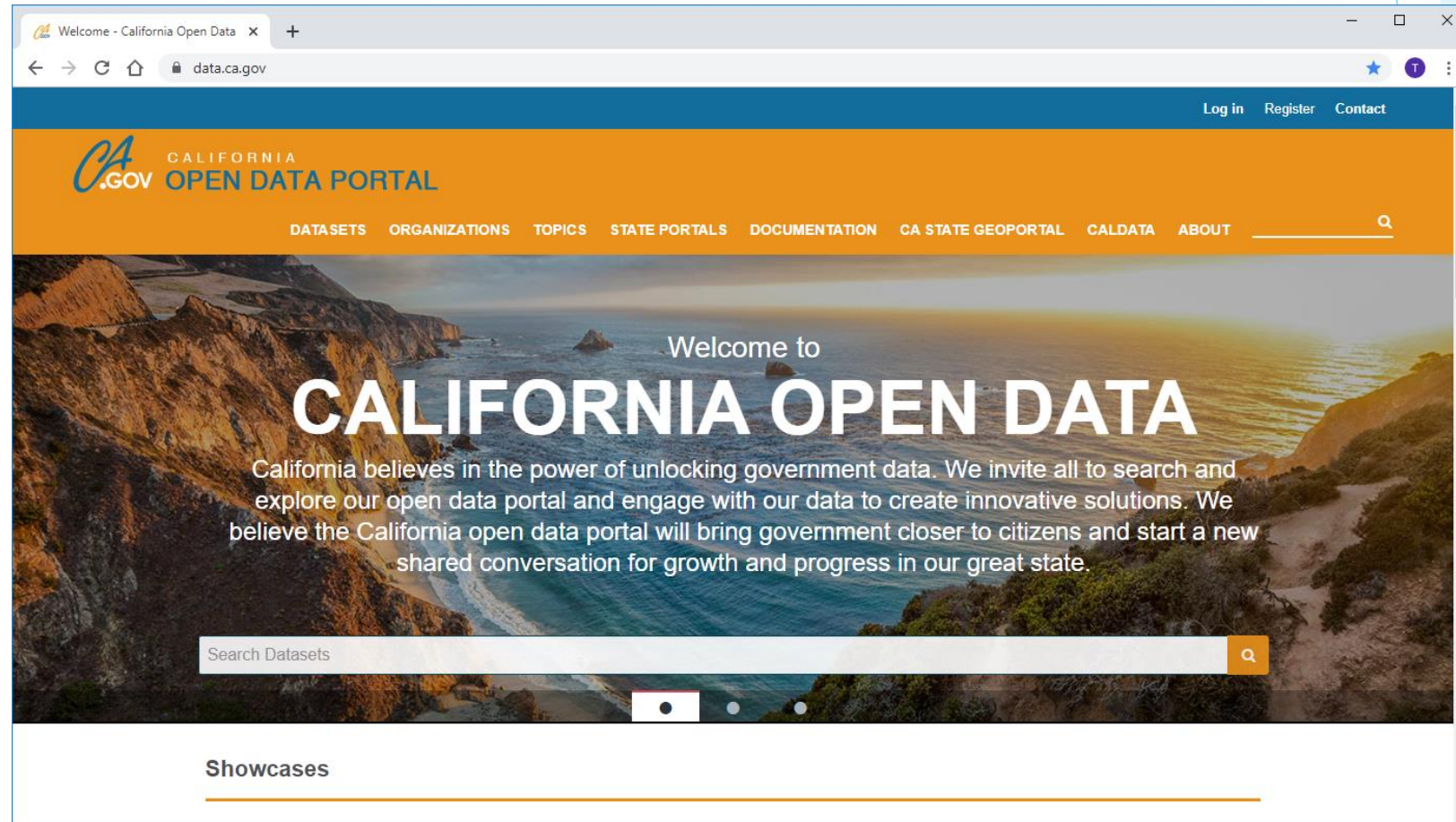
Cecilia Aguiar-Curry

Districts	Apportionment by Assembly
Napa County Office of Education	194,041.00
Upper Lake Union Elementary	419,243.00
Lucerne Elementary	470,544.79
Kenwood Elementary	527,227.00
Kelseyville Unified	778,545.00
Maxwell Unified	1,227,680.00
Williams Unified	1,537,131.00
Calistoga Joint Unified	1,575,781.00
Middletown Unified	2,432,502.00
Bennett Valley Union Elementary	2,456,004.00
Old Adobe Union Elementary	2,730,362.00
Upper Lake Union High	3,081,870.00
Total	733,320,199.65

Microsoft Power BI 3 of 6




CA Open Data Portal

<https://data.ca.gov/dataset/opsc-open-data>



E-mail Subscription List

- To receive the latest news from OPSC please subscribe to our email list:
 - <https://www.dgs.ca.gov/OPSC/Contact>
- By subscribing to the master list our customers will receive:
 - All SAB/OPSC Meeting Notifications
 - SAB Agendas
 - Priorities in Funding Announcements, and
 - Other SAB/OPSC Information

OPSC Contacts

- For Assistance with New Construction, Modernization, Facility Hardship, Chart School, Career Technical Education, Financial Hardship, Priority in Funding or Full Day Kindergarten please visit our Directory of Services
- <https://www.dgs.ca.gov/OPSC/Contact>

Resources

New Construction Funding

<https://www.dgs.ca.gov/OPSC/Services/Page-Content/Office-of-Public-School-Construction-Services-List-Folder/Obtain-New-Construction-Funding>

Modernization Funding

<https://www.dgs.ca.gov/OPSC/Services/Page-Content/Office-of-Public-School-Construction-Services-List-Folder/Apply-for-Modernization-Funding>

Facility Hardship Funding <https://www.dgs.ca.gov/OPSC/Services/Page-Content/Office-of-Public-School-Construction-Services-List-Folder/Obtain-Facility-Hardship-Funding>

Career Technical Education Facilities Program

<https://www.dgs.ca.gov/OPSC/Services/Page-Content/Office-of-Public-School-Construction-Services-List-Folder/Obtain-Career-Technical-Education-Facilities-Funding>

Charter School Facilities Program

<https://www.dgs.ca.gov/OPSC/Services/Page-Content/Office-of-Public-School-Construction-Services-List-Folder/Obtain-Charter-School-Facilities-Funding>

Resources Cont.

Financial Hardship

<https://www.dgs.ca.gov/OPSC/Services/Page-Content/Office-of-Public-School-Construction-Services-List-Folder/Access-Financial-Hardship-Assistance-for-School-Construction>

Priority Funding Information

<https://www.dgs.ca.gov/OPSC/Resources/Page-Content/Office-of-Public-School-Construction-Resources-List-Folder/Priority-Funding-Information>

Grant Agreement webpage

<https://www.dgs.ca.gov/OPSC/Resources/Page-Content/Office-of-Public-School-Construction-Resources-List-Folder/Grant-Agreement>

Full-Day Kindergarten Facilities Grant Program

<https://www.dgs.ca.gov/OPSC/Services/Page-Content/Office-of-Public-School-Construction-Services-List-Folder/Access-Full-Day-Kindergarten-Facilities-Grant-Program-Funding>

OPSC Online and other Online resources

<https://www.dgs.ca.gov/OPSC/Resources/Page-Content/Office-of-Public-School-Construction-Resources-List-Folder/Online-Application-Links>

OPSC YouTube Page

<https://www.youtube.com/user/OPSCYou>

Questions?