

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, January 26, 2005

ANNUAL ADJUSTMENT TO SCHOOL FACILITY PROGRAM GRANTS

PURPOSE OF REPORT

To report the annual adjustment in the School Facility Program (SFP) Grants as provided in the Education Code and Title 2 of the California Code of Regulations.

DESCRIPTION

The SFP Regulations require that the SFP grant amounts for new construction and modernization shall be adjusted annually based on the change in the Class B Construction Cost Index each January. The specific regulation sections are noted on the Attachment. The consent items on this agenda requesting SFP funding reflect the updated adjustments for January 2005.

The Class B Construction Cost Index based on the Marshall & Swift index for 10 Western States was 1.51 in January 2004. The January 2005 index, utilizing the same criteria, is 1.68. An adjustment of the index from 1.51 to 1.68 is required for the 2005 calendar year. Projects that are presented to the State Allocation Board (SAB) after January 1, 2005, as well as the items in this agenda, will receive the adjusted grant amounts until the grant amounts are adjusted again in January 2006.

AUTHORITY

Pursuant to Education Code Section 17072.10 (b), the SAB shall adjust annually the per-unhoused-pupil apportionment based on the statewide cost index for Class B construction.

Pursuant to Regulation Section 1859.71, "The new construction per-unhoused-pupil grant amount, as provided by Education Code Section 17072.10(b), will be adjusted annually based on the change in the Class B Construction Cost Index as approved by the Board each January."

STAFF COMMENTS

Base grant amounts were established for the SFP program at its inception in 1998. Each year in January these grant amounts are adjusted to reflect the Class B Construction Cost Index. The Class B Construction Cost Index for January 2004 was 1.51 which increased to 1.68 in January 2005 or a .17 difference in indexes which represents an increase of 11.26 percent over the 2004 index. All project funding occurring after January 1, 2005, inclusive of this Board meeting, will be based on the January 2005 index. The effect of this increase on the grant amount is shown on the Attachment.

In October 2004 the Board approved a proposed regulatory amendment that is currently being reviewed for its fiscal impact on the State of California. This amendment will modify the regulation by deleting reference to a specific Class B Construction Cost Index and will give the Board flexibility in selecting the most appropriate index to accurately reflect school construction costs in California. This proposed regulation will be in effect for the January 2006 annual adjustment.

RECOMMENDATION

Approve the index adjustment from 1.51 to 1.68 representing an 11.26 percent increase for use on SFP applications approved on or after January 1, 2005.

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BOARD ACTION

This Item was approved by the State Allocation Board on January 26, 2005 with a further recommendation to present an item to increase the grant allowance on projects approved after January 1, 2005 once the regulations are approved that eliminate the reference to a specific Class B Construction Cost Index.

ATTACHMENT

State Allocation Board Meeting, January 26, 2005

ANNUAL ADJUSTMENT TO SCHOOL FACILITY PROGRAM GRANTS

Grant Amount Adjustments

		Regulation Section	Current Adjusted Grant Per Pupil Effective 1-1-04	Adjusted Grant Per Pupil Effective 1-1-05
New Construction	Elementary	1859.71	\$6,040	\$6,720
	Middle	1859.71	\$6,388	\$7,107
	High	1859.71	\$8,363	\$9,305
	Special Day Class – Severe	1859.71.1	\$19,251	\$21,419
	Special Day Class – Non-Severe	1859.71.1	\$12,875	\$14,325
	Automatic Fire Detection/Alarm System – Elementary	1859.71.2	\$8	\$9
	Automatic Fire Detection/Alarm System – Middle	1859.71.2	\$11	\$12
	Automatic Fire Detection/Alarm System – High	1859.71.2	\$19	\$21
	Automatic Fire Detection/Alarm System – Special Day Class – Severe	1859.71.2	\$35	\$39
	Automatic Fire Detection/Alarm System – Special Day Class – Non-Severe	1859.71.2	\$24	\$27
	Automatic Sprinkler System – Elementary	1859.71.2	\$115	\$128
	Automatic Sprinkler System – Middle	1859.71.2	\$137	\$152
	Automatic Sprinkler System – High	1859.71.2	\$142	\$158
	Automatic Sprinkler System – Special Day Class – Severe	1859.71.2	\$363	\$404
	Automatic Sprinkler System – Special Day Class – Non-Severe	1859.71.2	\$244	\$271
Modernization	Elementary	1859.78	\$2,609	\$2,903
	Middle	1859.78	\$2,760	\$3,071
	High	1859.78	\$3,613	\$4,020
	Special Day Class - Severe	1859.78.3	\$8,313	\$9,249
	Special Day Class – Non-Severe	1859.78.3	\$5,562	\$6,188
	State Special School – Severe	1859.78	\$13,858	\$15,418
	Automatic Fire Detection/Alarm System – Elementary	1859.78.4	\$84	\$93
	Automatic Fire Detection/Alarm System – Middle	1859.78.4	\$84	\$93
	Automatic Fire Detection/Alarm System – High	1859.78.4	\$84	\$93
	Automatic Fire Detection/Alarm System – Special Day Class – Severe	1859.78.4	\$233	\$259
	Automatic Fire Detection/Alarm System – Special Day Class – Non-Severe	1859.78.4	\$156	\$174
	Over 50 Years Old – Elementary	1859.78.6	\$3,624	\$4,032
	Over 50 Years Old – Middle	1859.78.6	\$3,833	\$4,265
	Over 50 Years Old – High	1859.78.6	\$5,018	\$5,583
	Over 50 Years Old – Special Day Class – Severe	1859.78.6	\$11,551	\$12,852
	Over 50 Years Old – Special Day Class – Non-Severe	1859.78.6	\$7,724	\$8,594
	Over 50 Years Old – State Special School – Severe	1859.78.6	\$19,251	\$21,419

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ANNUAL ADJUSTMENT TO SCHOOL FACILITY PROGRAM GRANTS (cont.)

Grant Amount Adjustments

New Construction / Modernization / Joint-Use	Regulation Section	Current Adjusted Grant Effective 1-1-04	Adjusted Grant Effective 1-1-05
Therapy/Multipurpose Room/Other (per square foot)	1859.72 1859.73.2 1859.82 1859.125 1859.125.1	\$111	\$123
Toilet Facilities (per square foot)	1859.72 1859.73.2 1859.82 1859.125 1859.125.1	\$202	\$225
New Construction Only			
Parking Spaces	1859.76	\$8,712	\$9,693
Project Assistance (for school district with less than 2,500 pupils)	1859.73.1	\$4,134	\$4,599
Modernization Only			
Two-stop Elevator (60/40)	1859.83	\$69,692	\$77,539
Additional Stop (60/40)	1859.83	\$12,543	\$13,955
Project Assistance (for school district with less than 2,500 pupils)	1859.78.2	\$2,204	\$2,452
Facility Hardship / Rehabilitation			
Current Replacement Cost - Other (per square foot)	1859.2	\$223	\$248
Current Replacement Cost - Toilets (per square foot)	1859.2	\$402	\$447
Interim Housing – Financial Hardship (per classroom)	1859.81	\$22,965	\$25,551

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ANNUAL ADJUSTMENT TO SCHOOL FACILITY PROGRAM GRANTS (cont.)

New School Adjustments (Regulation Section 1859.83)

Class-rooms in project	Elementary School Previous Grant	Elementary School Adjusted Grant	Middle School Previous Grant	Middle School Adjusted Grant	High School Previous Grant	High School Adjusted Grant	Alternative Education New School Allowance	Alternative Education New School Allowance
	Effective 1-1-04	Effective 1-1-05	Effective 1-1-04	Effective 1-1-05	Effective 1-1-04	Effective 1-1-05	Effective 1-1-04	Effective 1-1-05
1	\$185,846	\$206,772	\$782,878	\$871,030	\$1,702,814	\$1,894,551	\$504,921	\$561,775
2	\$437,900	\$487,208	\$878,123	\$977,000	\$1,771,347	\$1,970,801	\$612,595	\$681,573
3	\$657,430	\$731,457	\$975,692	\$1,085,555	\$2,189,501	\$2,436,039	\$1,070,892	\$1,191,474
4	\$832,823	\$926,599	\$1,082,553	\$1,204,448	\$2,561,192	\$2,849,582	\$1,204,806	\$1,340,467
5	\$978,015	\$1,088,139	\$1,194,061	\$1,328,512	\$2,820,216	\$3,137,772	\$1,338,720	\$1,489,460
6	\$1,185,932	\$1,319,468	\$1,306,731	\$1,453,869	\$3,079,238	\$3,425,960	\$1,472,634	\$1,638,453
7	\$1,396,169	\$1,553,378	\$1,419,400	\$1,579,224	\$3,338,261	\$3,714,149	\$1,606,547	\$1,787,444
8	\$1,557,624	\$1,733,012	\$1,542,524	\$1,716,212	\$3,538,046	\$3,936,430	\$1,747,151	\$1,943,880
9	\$1,557,624	\$1,733,012	\$1,672,615	\$1,860,951	\$3,698,338	\$4,114,771	\$1,892,355	\$2,105,434
10	\$1,831,746	\$2,038,001	\$1,803,869	\$2,006,985	\$3,857,469	\$4,291,820	\$2,037,559	\$2,266,988
11	\$1,831,746	\$2,038,001	\$1,935,123	\$2,153,018	\$4,017,760	\$4,470,160	\$2,601,022	\$2,893,897
12	\$1,928,153	\$2,145,263			\$4,164,115	\$4,632,994	\$2,746,225	\$3,055,450
13					\$4,308,145	\$4,793,242	\$2,891,429	\$3,217,004
14					\$4,452,176	\$4,953,491	\$3,036,633	\$3,378,558
15					\$4,597,370	\$5,115,034	\$3,181,836	\$3,540,111
16					\$4,741,398	\$5,275,279	\$3,327,041	\$3,701,666
17					\$4,886,592	\$5,436,822	\$3,472,245	\$3,863,220
18					\$5,030,623	\$5,597,071	\$3,617,449	\$4,024,774
19					\$5,174,653	\$5,757,319	\$3,762,653	\$4,186,328
20					\$5,319,845	\$5,918,860	\$3,907,856	\$4,347,881
21					\$5,463,877	\$6,079,110	\$4,053,165	\$4,509,551
22					\$5,607,908	\$6,239,358	\$4,198,369	\$4,671,105
23							\$4,343,574	\$4,832,660
24							\$4,488,777	\$4,994,213
25							\$4,633,979	\$5,155,765
26							\$4,779,185	\$5,317,321
27							\$4,924,388	\$5,478,874

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