

ANNUAL ADJUSTMENT TO SCHOOL FACILITY PROGRAM GRANTS

PURPOSE OF REPORT

To adopt the annual adjustment in the School Facility Program (SFP) grants based on the change in construction costs pursuant to the Education Code (EC) and SFP Regulations.

DESCRIPTION

This item presents the State Allocation Board (Board) with the annual adjustment to the SFP grants based on the statewide cost index for Class B construction. Each year the Board adjusts the SFP grants to reflect construction cost changes. In January 2016, the Board adopted the RS Means index for 2016 and future years. This item presents the 2024 annual adjustment to SFP grants based on the RS Means index.

AUTHORITY

See Attachment A.

STAFF ANALYSIS/STATEMENTS

At the January 2016 meeting, the Board adopted an increase to the SFP grants using the RS Means Construction Cost Index (CCI) as the statewide cost index for Class B construction.

The current rate of change between 2023 and 2024 for the RS Means Class B CCI is -1.33 percent. The chart below reflects the amounts previously adopted for 2023 compared to the potential amount for the new construction base grants.

Grade Level	Regulation Section	Current Adjusted Grant Per Pupil Effective 1-1-23	RS Means -1.33%
			Potential Grant Per Pupil Effective 1-1-24
Elementary	1859.71	\$15,983	\$15,770
Middle	1859.71	\$16,904	\$16,679
High	1859.71	\$21,509	\$21,223
Special Day Class – Severe	1859.71.1	\$44,911	\$44,314
Special Day Class – Non-Severe	1859.71.1	\$30,036	\$29,637

STAFF ANALYSIS/STATEMENTS (cont.)

The following chart shows the amounts previously adopted compared to the potential amount for the modernization base grants.

RS Means -1.33%

Grade Level	Regulation Section	Current Adjusted Grant Per Pupil Effective 1-1-23	Potential Grant Per Pupil Effective 1-1-24
Elementary	1859.78	\$6,086	\$6,005
Middle	1859.78	\$6,436	\$6,350
High	1859.78	\$8,427	\$8,315
Special Day Class – Severe	1859.78.3	\$19,396	\$19,138
Special Day Class – Non-Severe	1859.78.3	\$12,977	\$12,804

In addition, the CCI adjustment would decrease the threshold amount for Government Code Section 66452.6(a)(2) for the period of one year commencing March 1, 2024. The following chart shows the amount previously adopted for 2023 compared to the resulting threshold amount, upon approval of the proposed 2024 CCI adjustment:

RS Means -1.33%

	Effective 3-1-2023	Potential 3-1-2024
Resulting Amount	\$402,416	\$397,064

RECOMMENDATION

Adopt the decrease of 1.33 percent for the 2024 SFP grants based on the RS Means Construction Cost Index as shown in Attachment B.

BOARD ACTION

In considering this Item, the Board’s approval consisted of three parts: 1) adopted the staff recommendation which provided a decrease of 1.33 percent for the 2024 SFP grants based on the RS Means Construction Cost Index; 2) directed staff to research alternative indices, including costs and time to implement, to use for the construction cost adjustment and provide monthly status updates on both indices and also ongoing bond negotiations with the Legislature and Administration; and 3) requested a legal opinion from its counsel to determine: a) if the Board can adopt an additional adjustment to the SFP grants later in the year; and b) if the Board does adopt an additional adjustment to the SFP grants later in the year, can the Board retroactively apply that additional adjustment to previously approved projects with the amount adopted by the Board at its January 24, 2024 meeting.

ATTACHMENT A

AUTHORITY

For the New Construction grant, EC Section 17072.10(b) states, “The board annually shall adjust the per-unhoused- pupil apportionment to reflect construction cost changes, as set forth in the statewide cost index for class B construction as determined by the board.”

For Modernization funding, EC Section 17074.10(b) states, “The board shall annually adjust the factors set forth in subdivision (a) according to the adjustment for inflation set forth in the statewide cost index for class B construction, as determined by the board.”

Government Code Section 66452.6 states:

(a)(1) An approved or conditionally approved tentative map shall expire 24 months after its approval or conditional approval, or after any additional period of time as may be prescribed by local ordinance, not to exceed an additional 12 months. However, if the subdivider is required to expend two hundred thirty-six thousand seven hundred ninety dollars (\$236,790) or more to construct, improve, or finance the construction or improvement of public improvements outside the property boundaries of the tentative map, excluding improvements of public rights-of-way which abut the boundary of the property to be subdivided and which are reasonably related to the development of that property, each filing of a final map authorized by Section 66456.1 shall extend the expiration of the approved or conditionally approved tentative map by 36 months from the date of its expiration, as provided in this section, or the date of the previously filed final map, whichever is later. The extensions shall not extend the tentative map more than 10 years from its approval or conditional approval.

...

(2) Commencing January 1, 2012, and each calendar year thereafter, the amount of two hundred thirty-six thousand seven hundred ninety dollars (\$236,790) shall be annually increased by operation of law according to the adjustment for inflation set forth in the statewide cost index for class B construction, as determined by the State Allocation Board at its January meeting. The effective date of each annual adjustment shall be March 1. The adjusted amount shall apply to tentative and vesting tentative maps whose applications were received after the effective date of the adjustment.

SFP Regulation Section 1859.71 states,

The new construction per-unhoused-pupil grant amount, as provided by Education Code Section 17072.10(a), will be adjusted annually based on the change in the Class B Construction Cost Index as approved by the Board each January. The base Class B Construction Cost Index shall be 1.30 and the first adjustment shall be January 1999.

The new construction per-unhoused-pupil grant amount, as provided by Education Code Section 17072.10(a), may be increased by an additional amount not to exceed six percent in a fiscal year, or decreased, based on the analysis of the current cost to build schools as reported on the Project Information Worksheet (Revised 05/10) which shall be submitted with the Forms SAB 50-05 and 50-06 and as approved by the Board.

ATTACHMENT A

SFP Regulation Section 1859.2 Definitions states,

“Class B Construction Cost Index” is a construction factor index for structures made of reinforced concrete or steel frames, concrete floors, and roofs, and accepted and used by the Board.

SFP Regulation Section 1859.78 states, “The modernization per-unhoused-pupil grant amount, as provided by Education Code Section 17074.10(a), will be adjusted annually based on the change in the Class B Construction Cost Index as approved by the Board each January.

ATTACHMENT B

ANNUAL ADJUSTMENT TO SCHOOL FACILITY PROGRAM GRANTS

State Allocation Board Meeting, January 24, 2024

Grant Amount Adjustments

New Construction	SFP Regulation Section	Adjusted Grant Per Pupil Effective 1-1-23	Adjusted Grant Per Pupil Effective 1-1-24
Elementary	1859.71	\$15,983	\$15,770
Middle	1859.71	\$16,904	\$16,679
High	1859.71	\$21,509	\$21,223
Special Day Class – Severe	1859.71.1	\$44,911	\$44,314
Special Day Class – Non-Severe	1859.71.1	\$30,036	\$29,637
Automatic Fire Detection/Alarm System – Elementary	1859.71.2	\$19	\$19
Automatic Fire Detection/Alarm System – Middle	1859.71.2	\$25	\$25
Automatic Fire Detection/Alarm System – High	1859.71.2	\$43	\$42
Automatic Fire Detection/Alarm System – Special Day Class – Severe	1859.71.2	\$80	\$79
Automatic Fire Detection/Alarm System – Special Day Class – Non-Severe	1859.71.2	\$57	\$56
Automatic Sprinkler System – Elementary	1859.71.2	\$268	\$264
Automatic Sprinkler System – Middle	1859.71.2	\$319	\$315
Automatic Sprinkler System – High	1859.71.2	\$331	\$327
Automatic Sprinkler System – Special Day Class – Severe	1859.71.2	\$846	\$835
Automatic Sprinkler System – Special Day Class – Non-Severe	1859.71.2	\$567	\$559

ATTACHMENT B

ANNUAL ADJUSTMENT TO SCHOOL FACILITY PROGRAM GRANTS

State Allocation Board Meeting, January 24, 2024

Grant Amount Adjustments

Modernization	SFP Regulation Section	Adjusted Grant Per Pupil Effective 1-1-23	Adjusted Grant Per Pupil Effective 1-1-24
Elementary	1859.78	\$6,086	\$6,005
Middle	1859.78	\$6,436	\$6,350
High	1859.78	\$8,427	\$8,315
Special Day Class - Severe	1859.78.3	\$19,396	\$19,138
Special Day Class – Non-Severe	1859.78.3	\$12,977	\$12,804
State Special School – Severe	1859.78	\$32,330	\$31,900
Automatic Fire Detection/Alarm System – Elementary	1859.78.4	\$198	\$195
Automatic Fire Detection/Alarm System – Middle	1859.78.4	\$198	\$195
Automatic Fire Detection/Alarm System – High	1859.78.4	\$198	\$195
Automatic Fire Detection/Alarm System – Special Day Class – Severe	1859.78.4	\$544	\$537
Automatic Fire Detection/Alarm System – Special Day Class – Non-Severe	1859.78.4	\$365	\$360
Over 50 Years Old – Elementary	1859.78.6	\$8,454	\$8,342
Over 50 Years Old – Middle	1859.78.6	\$8,942	\$8,823
Over 50 Years Old – High	1859.78.6	\$11,705	\$11,549
Over 50 Years Old – Special Day Class – Severe	1859.78.6	\$26,948	\$26,590
Over 50 Years Old – Special Day Class – Non-Severe	1859.78.6	\$18,019	\$17,779
Over 50 Years Old – State Special Day School – Severe	1859.78.6	\$44,910	\$44,313

ATTACHMENT B

ANNUAL ADJUSTMENT TO SCHOOL FACILITY PROGRAM GRANTS

State Allocation Board Meeting, January 24, 2024

Grant Amount Adjustments

New Construction / Modernization / Facility Hardship / Seismic Mitigation / Joint Use	SFP Regulation Section	Adjusted Grant Amount Effective 1-1-23	Adjusted Grant Amount Effective 1-1-24
Therapy/Multipurpose Room/Other (per square foot)	1859.72 1859.73.2 1859.77.3 1859.82.1 1859.82.2 1859.125 1859.125.1	\$262	\$259
Toilet Facilities (per square foot)	1859.72 1859.73.2 1859.82.1 1859.82.2 1859.125 1859.125.1	\$470	\$464
Portable Therapy/Multipurpose Room/Other (per square foot)	1859.72 1859.73.2 1859.77.3 1859.82.1 1859.125 1859.125.1	\$59	\$58
Portable Toilet Facilities (per square foot)	1859.72 1859.73.2 1859.82.1 1859.125 1859.125.1	\$152	\$150

New Construction Only	SFP Regulation Section	Adjusted Grant Amount Effective 1-1-23	Adjusted Grant Amount Effective 1-1-24
Parking Spaces (per stall)	1859.76	\$20,325	\$20,055
General Site Grant (per acre for additional acreage being acquired)	1859.76	\$26,016	\$25,670
Project Assistance (for school district with less than 2,500 pupils)	1859.73.1	\$9,775	\$9,645

ATTACHMENT B

ANNUAL ADJUSTMENT TO SCHOOL FACILITY PROGRAM GRANTS

State Allocation Board Meeting, January 24, 2024
Grant Amount Adjustments

Modernization Only	SFP Regulation Section	Adjusted Grant Amount Effective 1-1-23	Adjusted Grant Amount Effective 1-1-24
Two-stop Elevator	1859.83	\$162,591	\$160,429
Each Additional Stop	1859.83	\$29,268	\$28,879
Project Assistance (for school district with less than 2,500 pupils)	1859.78.2	\$5,214	\$5,145

Facility Hardship / Rehabilitation	SFP Regulation Section	Adjusted Grant Amount Effective 1-1-23	Adjusted Grant Amount Effective 1-1-24
Current Replacement Cost – Permanent Other (per square foot)	1859.2	\$521	\$514
Current Replacement Cost – Permanent Toilets (per square foot)	1859.2	\$939	\$927
Current Replacement Cost – Portable Other (per square foot)	1859.2	\$119	\$117
Current Replacement Cost – Portable Toilets (per square foot)	1859.2	\$305	\$301
Interim Housing – Financial Hardship (per classroom)	1859.81	\$53,592	\$52,879

Charter School Facilities Program – Preliminary Apportionment Amounts	SFP Regulation Section	Adjusted Grant Amount Effective 1-1-23	Adjusted Grant Amount Effective 1-1-24
Charter School Elementary (per pupil)	1859.163.1	\$16,065	\$15,851
Charter School Middle (per pupil)	1859.163.1	\$17,008	\$16,782
Charter School High (per pupil)	1859.163.1	\$21,587	\$21,300
Charter School Special Day Class – Severe (per pupil)	1859.163.1	\$45,126	\$44,526
Charter School Special Day Class - Non-Severe (per pupil)	1859.163.1	\$30,178	\$29,777
Charter School Two-stop Elevator	1859.163.5	\$135,493	\$133,691
Charter School Each Additional Stop	1859.163.5	\$24,389	\$24,065

ATTACHMENT B

NEW SCHOOL ADJUSTMENTS (REGULATION SECTION 1859.83)

State Allocation Board Meeting, January 24, 2024

Classrooms in Project	Elementary School Adjusted Grant Effective 1-1-23	Elementary School Adjusted Grant Effective 1-1-24	Middle School Adjusted Grant Effective 1-1-23	Middle School Adjusted Grant Effective 1-1-24	High School Adjusted Grant Effective 1-1-23	High School Adjusted Grant Effective 1-1-24	Alternative Education New School Effective 1-1-23	Alternative Education New School Effective 1-1-24
1	\$433,578	\$427,811	\$1,826,446	\$1,802,154	\$3,972,658	\$3,919,822	\$1,177,977	\$1,162,310
2	\$1,021,617	\$1,008,029	\$2,048,656	\$2,021,409	\$4,132,539	\$4,077,576	\$1,429,179	\$1,410,171
3	\$1,533,782	\$1,513,383	\$2,276,285	\$2,246,010	\$5,108,091	\$5,040,153	\$2,498,385	\$2,465,156
4	\$1,942,971	\$1,917,129	\$2,525,591	\$2,492,001	\$5,975,247	\$5,895,776	\$2,810,804	\$2,773,420
5	\$2,281,704	\$2,251,357	\$2,785,739	\$2,748,689	\$6,579,544	\$6,492,036	\$3,123,223	\$3,081,684
6	\$2,766,767	\$2,729,969	\$3,048,596	\$3,008,050	\$7,183,845	\$7,088,300	\$3,435,643	\$3,389,949
7	\$3,257,255	\$3,213,934	\$3,311,451	\$3,267,409	\$7,788,144	\$7,684,562	\$3,748,064	\$3,698,215
8	\$3,633,927	\$3,585,596	\$3,598,698	\$3,550,835	\$8,254,240	\$8,144,459	\$4,076,094	\$4,021,882
9	\$3,633,927	\$3,585,596	\$3,902,201	\$3,850,302	\$8,628,202	\$8,513,447	\$4,414,853	\$4,356,135
10	\$4,273,451	\$4,216,614	\$4,208,416	\$4,152,444	\$8,999,452	\$8,879,759	\$4,753,612	\$4,690,389
11	\$4,273,451	\$4,216,614	\$4,514,631	\$4,454,586	\$9,373,415	\$9,248,749	\$6,068,168	\$5,987,461
12	\$4,498,372	\$4,438,544			\$9,714,856	\$9,585,648	\$6,406,928	\$6,321,716
13					\$10,050,879	\$9,917,202	\$6,745,687	\$6,655,969
14					\$10,386,903	\$10,248,757	\$7,084,447	\$6,990,224
15					\$10,725,635	\$10,582,984	\$7,423,208	\$7,324,479
16					\$11,061,658	\$10,914,538	\$7,761,966	\$7,658,732
17					\$11,400,391	\$11,248,766	\$8,100,727	\$7,992,987
18					\$11,736,414	\$11,580,320	\$8,439,486	\$8,327,241
19					\$12,072,437	\$11,911,874	\$8,778,246	\$8,661,495
20					\$12,411,170	\$12,246,101	\$9,117,007	\$8,995,751
21					\$12,747,191	\$12,577,653	\$9,456,011	\$9,330,246
22					\$13,083,214	\$12,909,207	\$9,794,771	\$9,664,501
23							\$10,133,532	\$9,998,756
24							\$10,472,290	\$10,333,009
25							\$10,811,051	\$10,667,264
26							\$11,149,812	\$11,001,520
27							\$11,488,570	\$11,335,772