



## Office of Public School Construction

STAFF TO THE STATE ALLOCATION BOARD

### February 2025 Update

#### Buzzworthy

#### **SCHOOL DISTRICTS IMPACTED BY SOUTHERN CALIFORNIA WILDFIRES**

On January 7, Governor Newsom proclaimed a State of Emergency in Los Angeles and Ventura Counties due to severe windstorm conditions and multiple wildfires and issued Executive Order N-6-25 (EO) on January 14, to aid schools in responding to and recovering from the fires. The EO includes coordinated support from multiple state agencies to support local educational agencies, with school sites destroyed or damaged by the fires, in developing a plan for temporarily housing displaced students and repairing and rebuilding the impacted schools, as appropriate.

The Office of Public School Construction (OPSC) is conducting coordinated outreach with seven other state agencies to assist school districts and charter schools impacted by the fires. Additionally, OPSC is providing impacted school districts and charter schools with information on potential funding options, including:

- Applying for funding under the Facility Hardship Program;
- Requesting interim housing or other assistance from the State Allocation Board (Board) under the new disaster response authority in Proposition 2; and
- Applying for additional funding opportunities under other Board programs, including New Construction, Modernization, and the Charter School Facilities Program.

OPSC is committed to assisting local educational agencies navigating the challenges of this emergency and encourages school districts impacted by the recent fires to contact the Facility Hardship Program Team to discuss potential funding options. More information about the program may be found on OPSC's [website](#).

Based on reports of several charter schools displaced from school sites that sustained significant damage from the fires, OPSC is evaluating the impact and potential need to extend timelines for the Charter School Facility Program filing round currently scheduled to open on May 4, 2025. During periods of emergency proclaimed by the Governor, existing regulations direct the Executive Officer to provide relief to school districts and maintain equitable participation in programs administered by the State Allocation Board (Board), which may include extending deadlines. OPSC will provide an update at the February 26, 2025, meeting.

#### **TIME EXTENSIONS DUE TO STATE OF EMERGENCY**

An online extension request form is available for school districts that are unable to meet OPSC's response deadlines during a State of Emergency declared by the Governor. OPSC will review the request and, if approved, will send an approval of the request to the District Representative. The Online Extension Request Form Link can be found at: <https://tinyurl.com/ufrq6wm>.

#### **PROPOSITION 2 OUTCOME AND FUTURE PLANNING**

On January 22, 2025, the Board approved Staff's recommendations, which:

1. approved the set aside of \$330 million from New Construction bond authority and \$400 million from Modernization bond authority for Small School Districts;
2. approved the set aside of \$115 million from Modernization bond authority for the testing and remediation of lead in water;
3. approved a total of \$5 million [\$2.5 million from New Construction bond authority and \$2.5 million from Modernization bond authority] for the grant to the California Department of Education (CDE) to augment

an existing federal Supporting America's School Infrastructure grant and support priority school districts, as defined; and

4. approved the reservation of bond authority in the amount of \$80,895,000 for fiscal years 2025-26 through 2029-30 for the estimated administrative costs of OPSC, CDE, and the State Controller's Office, prorated based on the originally approved bond allocations for Proposition 2.

### **Five-year School Facilities Master Plan School Board Resolution**

At its December 3, 2024 meeting, the Board adopted policies for initial implementation of Proposition 2. All New Construction, Modernization, Charter School Facilities Program, Facility Hardship, and Seismic Mitigation Program applications submitted on or after October 31, 2024, must include a school board resolution acknowledging the Proposition 2 requirement to submit the five-year school facilities master plan, or an updated version, as specified in the December 3, 2024 Board actions. Additional information and sample resolutions may be accessed [here](#), or from the [OPSC Home page](#), under Resources and School Facility Master Plans. These sample resolutions include recommended language and can be modified.

For applications submitted between October 31, 2024 and December 4, 2024, school districts must submit a resolution acknowledging that the master plan will be submitted either by the time the substantial progress certification is due (18 months after fund release), or by the submission of the 100 percent complete *Expenditure Report* (Form SAB 50-06) for Facility Hardship Program and Seismic Mitigation Program, and Charter School Facilities Program Final Apportionment applications. For New Construction and Modernization applications, the resolution must acknowledge that the master plan will be submitted at the time the application is processed by the OPSC, prior to presentation to the Board for approval. These resolutions must be submitted to OPSC by **11:59 pm on Friday, February 14, 2025**. Failure to meet this deadline will result in the application being returned to the applicant.

### **Proposition 2 Stakeholder Meetings**

On January 30, 2025, OPSC conducted the first stakeholder meeting on behalf of the Board to propose regulatory amendments to implement Proposition 2, and to discuss and collect feedback on proposed amendments to the School Facility Program (SFP) Regulations for the following topics: Financial Hardship, Modernization Eligibility for Schools Located on Military Installations and New Construction Eligibility for Small School Districts, Eligible Expenditures, SFP Matching Share, and 75-Year Old Building Supplemental Grant. Staff is reviewing feedback received through February 14, 2025, for consideration and will address those suggestions in the next public meeting on this topic.

On February 13, 2025, OPSC conducted the second stakeholder meeting for the following topics: Interim Housing and Natural Disaster Assistance, the Five-Year Master Plan, Small Size School District Program, Energy Efficiency Supplemental Grant, Supplemental Grants for Minimum Essential Facilities, and Transitional Kindergarten Supplemental Grant. Staff will review any feedback obtained in the meeting and anything received through close of business on February 28, 2025, for consideration and will address those suggestions in the next public meeting on this topic. To submit written feedback after today's meeting, please email your suggestions to the OPSC Communications Team at [OPSCCommunications@dgs.ca.gov](mailto:OPSCCommunications@dgs.ca.gov).

The agenda for these stakeholder meetings can be accessed on OPSC's website under the Resources tab, under Proposition 2 – Assembly Bill 247 [here](#). The next stakeholder meeting is scheduled for February 20, 2025. After discussion with stakeholders, staff will present recommendations to the Board in the near future, followed by submittal of these emergency regulations to the Office of Administrative Law (OAL). If you have any questions, please contact the Project Manager for your county or [OPSCApplicationReviewTeam@dgs.ca.gov](mailto:OPSCApplicationReviewTeam@dgs.ca.gov).

### **ANNUAL ADJUSTMENT TO THE SCHOOL FACILITY PROGRAM GRANTS**

At the January 22, 2025, Board Meeting, Staff presented the annual adjustment to the SFP grants based on the statewide cost index for Class B construction. The Board adopted an increase of 0.49 percent. As a result of this adjustment, the SFP grant amounts have been updated to reflect the increase. The current grant amounts as well as a list of historical adjustments can be found [here](#).

## **REGULATORY AMENDMENTS FOR THE SCHOOL FACILITY PROGRAM**

On September 25, 2024, the Board approved regulatory amendments that authorized up to 18 months for a school district to meet fund release requirements for projects pertaining to a school facility located on a military installation that is the recipient of a federal grant that requires a local matching share. The emergency regulatory amendments were approved by OAL and became effective on November 1, 2024.

On January 22, 2025, the Board adopted regulatory amendments clarifying that a district must have received a federal funding invitation to be considered for the extended fund release deadline of up to 18 months, and that the Board shall consider whether additional time is needed for the district to align with federal timelines when determining whether to authorize an 18-month fund release deadline. Additionally, the Board authorized the Executive Officer to combine these regulatory amendments along with the regulations previously approved by the OAL into one rulemaking file and file the regulations with the OAL to make the regulations permanent.

## **APPLICATIONS RECEIVED BEYOND BOND AUTHORITY**

Received requests for modernization projects have exceeded the available bond authority. Modernization applications received on or after October 30, 2024, will be placed on the Application Received Beyond Bond Authority (ARBBA) List. SFP Regulations require that applications placed on this list must contain a school board resolution that includes several acknowledgements (per SFP Regulation Section 1859.95.1). Multiple applications from one district can be covered in one single school board resolution. OPSC will undergo an intake review to ensure that required documents have been submitted with the application, but OPSC will not review to confirm program eligibility or process the application further unless bond authority becomes available for the project.

As of January 31, 2025, OPSC received the following for the ARBBA List:

- Modernization – 70 applications. Total requested - \$373,681,146

It should be noted that health and safety projects, specifically Facility Hardship and Seismic Mitigation Program projects, are placed at the top of the SFP Workload List. Additionally, current requests for new construction funding have available bond authority and will not be placed on the ARBBA List. Therefore, these applications will not be placed on the ARBBA List and do not require a Beyond Bond Authority school board resolution.

## **90-DAY NOTIFICATION OF APPLICATION PROCESSING**

Staff send out notifications to the District Representative and Superintendent via email approximately 90 days prior to the anticipated start of processing funding applications for applications received within a certain time frame. Below is the current due date for the 90-Day Notification Responses:

- Notifications sent on 1/2/2025 for applications received from 6/12/2022 – 7/20/2022 have a due date of 4/2/2025.

At the time of submittal, it was projected that enough projects had been submitted to exhaust Proposition 51 bond authority; therefore, these applications were placed on the ARBBA List. OPSC is continuing to process applications for funding and providing a 90-Day Notification, while monitoring the available SFP funding authority. Please note that receipt of this 90-Day Notification and/or the processing of the District's application after this 90-day period does not guarantee that there will be sufficient authority for these particular applications.

## **California Department of Education (CDE) and the Division of the State Architect (DSA) Approvals**

Per Education Code, to receive an apportionment, the plan approvals from the CDE and the DSA *must be valid*.

The DSA plan approvals expire after four years unless construction of the project has commenced. Projects with expired DSA plan approvals must obtain updated approvals prior to the presentation to the Board for an apportionment, or the application will be revoked. If the DSA plan approvals expire after the projected Apportionment date but before fund release, the District will be eligible to receive an apportionment but must be able to demonstrate that it has entered into construction contracts upon submittal of a *Fund Release Authorization* (Form SAB 50-05).

Deadlines cannot be extended, so if plans will expire during that time, the District may need to seek updated approvals now. OPSC Staff encourages districts to verify the status of the project's DSA plan approval upon receipt of the 90-day notification. Please discuss any change to the scope of the original project, excluding required code updates, with your OPSC project manager. Changes of project scope may affect project eligibility and funding.

### Reminders

#### **UPDATES TO DISTRICT REPRESENTATIVE CONTACT INFORMATION**

The requests to change District Representatives for authorizing who may sign and submit official program forms must be based on Board of Education resolutions that clearly acknowledge the designee can act on all aspects of our programs, including applying for grants, certification of program compliance, etc. This commitment extends long after the project is completed. These requirements vary by program and are articulated on each program's forms. The school district must follow all statutes and regulations outside of the rules that govern the OPSC/SAB programs, such as Public Contract Code (PCC) and Government Code. To authorize a new District Representative, an [Eligibility Determination \(Form SAB 50-03\)](#) must be submitted with Part I filled out, listing the new representatives and their contact information, alongside the school board resolution naming the authorized individuals.

All newly submitted school board resolutions must be specific to SAB-administered programs. OPSC published a school board resolution template that has language related only to naming of District Representative. Any specifics related to application submittals, or anything else, would need to be amended in this template as applicable, or passed on a separate resolution. For more information and a link to the sample school board resolution, please visit OPSC's website [here](#).

#### **OPSC ONLINE HANDS-ON ASSISTANCE**

OPSC Staff are available to provide hands-on assistance to school districts and interested parties using OPSC Online. Staff can connect with you via video conferencing software applications including Microsoft Teams, Zoom, Cisco WebEx, and Google Meet. To request assistance, please contact your County's assigned Project Manager in the Resources section of [OPSC Online](#), after logging in.

#### **VIRTUAL SCHOOL FACILITY PROGRAM (SFP) TRAINING SERIES**

The OPSC conducted a series of free Virtual SFP Training Series in 2021 to further enhance the ability to access SAB programs. The presentations are available 24/7 and can be accessed on the [OPSC Virtual Training Series](#) webpage or on [OPSC's YouTube channel](#). If you have suggestion for other topics, they can be submitted to [OPSCCommunications@dgs.ca.gov](mailto:OPSCCommunications@dgs.ca.gov).

#### **DGS/OPSC EMAIL BLASTS**

The DGS and OPSC use email distribution service through GovDelivery.com. Using one email address, subscribers can subscribe to any email list under DGS. All school district superintendents and authorized school district representatives are encouraged to sign up to receive email notifications of upcoming meetings, key dates, and reminders. The signup link is under "Contact" on OPSC's website: <https://www.dgs.ca.gov/OPSC/Contact>.

### Upcoming State Allocation Board Meeting

#### **UPCOMING STATE ALLOCATION BOARD MEETING**

The next meeting is scheduled for Wednesday, February 26, 2025. The time and location of the meeting will be determined and announced on the OPSC webpage. Stakeholders may attend in person or remotely (by viewing the webcast from a link on OPSC's [meetings webpage](#)). Public comment may be submitted in writing prior to the meetings or may be made in person at the end of the meetings' agenda.

### Status of Funds

#### Remaining Bond Authority (as of January 22, 2025) (includes Unfunded Approvals) (\$ in millions)

Proposition 2	New Construction	Modernization	Career Tech	Charter School
Total	3,300.0 <sup>B</sup>	4,000.0 <sup>B</sup>	600.0	600.0

Assembly Bill 181	General Fund FY 22/23	General Fund FY 23/24
Total	0.1 <sup>A</sup>	182.6

Proposition	New Construction	Modernization	Career Tech	Charter School	Overcrowding Relief	Seismic Repair
51	2.5 <sup>A</sup>	2.9 <sup>A</sup>	9.9 <sup>A</sup>	5.6	N/A	N/A
1D	0.0 <sup>A</sup>	0.0	0.1	4.0 <sup>A</sup>	6.4	0.0
55	1.8 <sup>A</sup>	0.0	N/A	1.5 <sup>A</sup>	N/A	N/A
47	0.0	0.0	N/A	1.7	N/A	N/A
1A	0.0	0.0	N/A	N/A	N/A	N/A
Total	4.3 <sup>A</sup>	2.9 <sup>A</sup>	10 <sup>A</sup>	12.8 <sup>A</sup>	6.4	0.0

- A. Total authority is not available at this time due to outstanding accounts receivable. General Fund FY 22/23 \$15,640, Proposition 51 \$1,414,801 for New Construction, \$7,710 for Modernization and \$684,232 for Career Technical Education. Proposition 1D \$24,497 for New Construction and \$94,360 for Charter School. Proposition 55 \$1,461,909 for New Construction and \$243,485 for Charter School.
- B. Up to 10 percent of New Construction and up to 10 percent of Modernization shall be available to small school districts. Up to \$115 million of Modernization shall be available to address the remediation of lead in water.

### Resources

#### **EXECUTIVE ORDER – CONTRACTOR AND GRANTEE COMPLIANCE WITH ECONOMIC SANCTIONS**

On March 4, 2022, Governor Gavin Newsom issued EO N-6-22 in response to Russian aggression in Ukraine, accessible [here](#). OPSC notified participants in the SFP and other SAB programs that compliance with the economic sanctions is required, and failure to comply may result in the termination of contracts or grants. For OPSC inquiries please contact Michael Watanabe at [Michael.Watanabe@dgs.ca.gov](mailto:Michael.Watanabe@dgs.ca.gov) or (279) 946-8463, and for concerns on DGS contracts, please contact the Office of Public Affairs at [DGSPublicAffairs@dgs.ca.gov](mailto:DGSPublicAffairs@dgs.ca.gov).

#### **ELECTRONIC FUND TRANSFERS (EFT) AVAILABLE FOR REMITTANCES DUE TO OPSC**

OPSC accepts electronic fund transfers of payments due to the State. If a remitter wishes to send the funds electronically through EFT or Wire Transfer, please reach out to [OPSCAccountsReceivable@dgs.ca.gov](mailto:OPSCAccountsReceivable@dgs.ca.gov) for instructions.

#### **EMAILING DOCUMENTS AND RECEIVING CONFIRMATION**

In an effort to simplify the submissions of documents electronically to the OPSC, school districts can email all documents to OPSC Application Review Team (ART) at:

[OPSCApplicationReviewTeam@dgs.ca.gov](mailto:OPSCApplicationReviewTeam@dgs.ca.gov)

A Team member will email acknowledgement receipts for all submittals. The document types listed below should be emailed to [OPSCApplicationReviewTeam@dgs.ca.gov](mailto:OPSCApplicationReviewTeam@dgs.ca.gov). In addition, we encourage senders to carbon copy “cc” the intended program recipient listed in the table below; however, it is not required.

Document Type	CC NAME	CC EMAIL ADDRESS
NEW SUBMITTALS: <i>Enrollment Certification</i> (Form SAB 50-01) <i>Existing School Building Capacity</i> (Form SAB 50-02) <i>Eligibility Determination</i> (Form SAB 50-03) <i>Application for Funding</i> (Form SAB 50-04)		
90 Day Notification Responses – Cost Estimates	OPSC Cost Estimates	<a href="mailto:OPSCCostEstimates@dgs.ca.gov">OPSCCostEstimates@dgs.ca.gov</a>
90 Day Notification Responses – Eligibility Updates	Kevin Fok	<a href="mailto:Kevin.Fok@dgs.ca.gov">Kevin.Fok@dgs.ca.gov</a>
<i>Fund Release Authorization</i> (Form SAB 50-05) (SFP)	OPSC Fund Release Department	<a href="mailto:OPSCFundRelease@dgs.ca.gov">OPSCFundRelease@dgs.ca.gov</a>
<u>Full-Day Kindergarten Facilities Grant Program Application for Funding</u> (Form SAB 70-01) <i>Fund Release</i> (Form SAB 70-02) <i>Expenditure Report</i> (Form SAB 70-03)	OPSC Full-Day Kindergarten	<a href="mailto:DGSOPSCFullDayKindergarten@dgs.ca.gov">DGSOPSCFullDayKindergarten@dgs.ca.gov</a>
4/15/30-Day Letter Responses (Program/Audits)	Assigned Project Manager /Auditor Reviewing your project	Assigned PM/Auditor's email address.
Facility Hardship	Lindsey Walden	<a href="mailto:Lindsey.Walden@dgs.ca.gov">Lindsey.Walden@dgs.ca.gov</a>
Grant Agreements	OPSC Grant Agreements	<a href="mailto:OPSCGrantAgreements@dgs.ca.gov">OPSCGrantAgreements@dgs.ca.gov</a>
Priority Funding Requests	Kelsie Muramoto and OPSC Priority Funding	<a href="mailto:Kelsie.Muramoto@dgs.ca.gov">Kelsie.Muramoto@dgs.ca.gov</a> and <a href="mailto:OPSCPriorityFunding@dgs.ca.gov">OPSCPriorityFunding@dgs.ca.gov</a>
Substantial Progress Checklists / <i>Expenditure Reports</i> (Form SAB 50-06)	Sue Reese	<a href="mailto:Suzanne.Reese@dgs.ca.gov">Suzanne.Reese@dgs.ca.gov</a>
Financial Hardship	Jason Hernandez	<a href="mailto:Jason.Hernandez@dgs.ca.gov">Jason.Hernandez@dgs.ca.gov</a>
<i>Appeal Requests</i> (Form SAB 189)	Michael Watanabe	<a href="mailto:Michael.Watanabe@dgs.ca.gov">Michael.Watanabe@dgs.ca.gov</a>

For any questions or to obtain current OPSC contacts, please refer to OPSC's [Directory of Services](#).