



## Office of Public School Construction

STAFF TO THE STATE ALLOCATION BOARD

### October 2022 Update

#### Buzzworthy

#### **REGULATORY AMENDMENTS FOR DIRECT APPORTIONMENTS**

At the September 21, 2022 State Allocation Board (SAB) meeting, the proposed regulations for direct apportionments were approved on an emergency basis. The new regulations streamline the process of making apportionments for purposes of providing expedited fund releases and more efficiently distributing the General Fund proceeds, or any other available proceeds, to those project that would be able to quickly use the funds.

Beginning in November 2022 and moving forward, all New Construction and Modernization projects will automatically be Direct Apportionments. The new timelines for submittal of a *Fund Release Authorization* (Form SAB 50-05) are now 180 days after an apportionment by the SAB and 365 days for projects that include Financial Hardship assistance in the apportionment. Career Technical Education Facilities Program and Charter School Facilities Program applications will continue to be funded and apportioned through the Priority Funding process.

As a result of the General Funds being provided to the School Facility Program, projects that were approved for placement on the Unfunded List (Lack of AB 55 loans) from May 2022 through October 2022 had the option to receive an expedited Apportionment or maintain the normal timelines associated with the Priority Funding process. The applicants that elected not to receive an expedited apportionment may participate in the upcoming 30-day Priority Funding Filing Round that opens November 9 and closes December 8, 2022.

#### **CALIFORNIA PRESCHOOL, TRANSITIONAL KINDERGARTEN AND FULL-DAY KINDERGARTEN FACILITIES GRANT PROGRAM PROJECTS**

The third filing round for the expanded California Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities Grant Program occurred from April 1, 2022 through April 30, 2022. As of April 30, 2022, OPSC received a total of 417 applications requesting an estimated \$1.5 billion. Out of the 417 projects, 11 projects received an Apportionment for \$33.7 million at the September meeting. Our office anticipates that the majority of the remaining funding to be approved at the October and November meetings.

For apportionments with request for an advance fund release for design, the District must submit a valid *Fund Release Authorization* (Form SAB 70-02) within 12 months of apportionment.

#### Reminders

#### **COVID-19 EXTENSION REQUESTS**

Executive Order N-25-20, issued on March 4, 2020, proclaimed a State of Emergency exists in California as a result of the threat of COVID-19. As a result, the SAB approved regulations to allow the Executive Officer the authority, during a proclaimed emergency by the Governor of the State of California, to grant program extensions provided the Executive Officer inform the SAB of any action taken.

Following Executive Order N-11-22, the majority of the provisions in Executive Orders following N-25-20 expired on or before June 30, 2022. Therefore, the Office of Public School Construction (OPSC) will no longer accept COVID-19 extension requests effective August 25, 2022.

OPSC will continue to accept and review extension requests for any other ongoing states of emergency, such as wildfires, for school districts directly impacted. School districts that are requesting an extension as a result of a state of emergency shall continue to submit the [School District Extension Request Form](#).

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

On March 4<sup>th</sup>, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (EO) regarding sanctions in response to Russian aggression in Ukraine. The EO is located at the following link <http://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf>

In accordance with the EO, OPSC sent a notification to all District Superintendents, County Superintendents, and Authorized Representatives that have participated in the School Facility Program and other State Allocation Board administered programs that, as a contractor or grantee, compliance with the economic sanctions imposed in response to Russia's actions in Ukraine is required.

Failure to comply may result in the termination of contracts or grants, as applicable. Should you have any questions or concerns related to OPSC please contact Michael Watanabe at [Michael.Watanabe@dgs.ca.gov](mailto:Michael.Watanabe@dgs.ca.gov) or (279) 946-8463. For any questions or concerns on Department of General Services contracts, please contact the Office of Public Affairs at [DGSPublicAffairs@dgs.ca.gov](mailto:DGSPublicAffairs@dgs.ca.gov).

### **PIGGYBACK CONTRACTS FOR MODULAR FACILITIES ON PERMANENT FOUNDATIONS ARE INELIGIBLE FOR STATE FUNDING FROM STATE ALLOCATION BOARD ADMINISTERED PROGRAMS**

At the June 22, 2022, SAB meeting, staff presented an item regarding piggyback contracts and Public Contract Code (PCC) compliance relative to modular school facilities. After staff's presentation, discussion from the SAB members, and public comment, the SAB took the following action:

Provide a grace period for SAB-administered programs for projects with construction contracts signed on or within sixty calendar days (through August 21, 2022) of SAB action. Create a new process to begin after this grace period where Staff evaluates the contracts during the time of application processing and prior to fund release to ensure no piggyback contracts have been used to obtain modular facilities that are placed on permanent foundations.

Since this action,

- OPSC has notified all District Superintendents and District Representatives on file with OPSC, as well as all stakeholders on OPSC's master email subscription list, that consistent with the PCC and the AG Opinion, modular school facilities must be competitively bid.
- OPSC has create a [webpage](#) to advise school districts of the Public Contract Code requirements and its applicability to state funding.
- OPSC has established a specific process during application processing and/or in advance of fund release for thoroughly reviewing contracts to ensure that funds are not released for projects that use piggyback contracts for modular school facilities. This process is outlined on the new [webpage](#).
- For any contracts entered into after fund release (after OPSC's review), staff will work with the State Controller's Office to amend the K-12 Audit Guide for Appendices B and C, to ensure that as part of the project audit, and the K-12 local auditor would review the contracts for compliance.
- Staff will continue to process and present applications that signed piggyback contracts on or prior to August 21, 2022.

## **KINDERGARTEN – 12<sup>TH</sup> GRADE SCHOOL CONSTRUCTION PICTURES WANTED**

The Office of Public School Construction (OPSC) is seeking photos of state-funded school construction and modernization projects to feature in OPSC/DGS publications and on our websites. The photos will be used to showcase recent accomplishments in partnership with the state.

- Photos should be submitted in a resolution high enough to support both web viewing and in-print material.
- Children should not be identifiable or should be absent from photos.
- Photos should not be branded with corporate logos and/or business information.

To submit pictures, please email them as attachments to [OPSCCommunications@dgs.ca.gov](mailto:OPSCCommunications@dgs.ca.gov). Please provide the school district name, school site name, OPSC application number, photo credit (if attribution is required), contact information, and authorization to use the photo without royalties or restrictions.

For questions, contact OPSC's Communications Team at [OPSCCommunications@dgs.ca.gov](mailto:OPSCCommunications@dgs.ca.gov).

## **FACILITY INSPECTION TOOL – APPROVED!**

The Governor signed Senate Bill 129 on July 12, 2021, which requires OPSC to update the Facility Inspection Tool (FIT) for use beginning July 1, 2022. The FIT is used to determine the condition of a school facility. Three stakeholder meetings were held by staff on November 30, 2021, January 20, 2022 and March 3, 2022 inviting members of the public to participate in the development of updates to the tool. On April 27, 2022, the SAB approved a revised Facility Inspection Tool.

The new form can be accessed on OPSC's website under the Form's tab and at the following link: <https://www.dgs.ca.gov/-/media/Divisions/OPSC/Forms/Facility-Inspection-Tool---SAB-Approved-04-27-2022.pdf>

OPSC anticipates publishing a Microsoft Excel version of the form by November 1 and a web-based version of the form by the end of the year.

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

Last year, OPSC launched its FREE Virtual School Facility Program (SFP) Training Series. Fifteen sessions took place throughout the year. The topics were:

- *Tips for a Successful K-12 Closeout Audit*
- *Basics of State School Facility Program Funding*
- *The Three "Lists" and What it Means for Your Project*
- *Facility Hardship and Seismic Mitigation Programs*
- *Overview of OPSC Online*
- *Eligibility Applications in OPSC Online*
- *Funding Applications in OPSC Online*
- *Converting Your Charter School Facility Program Preliminary Apportionment*
- *Priority Funding Process,*
- *Career Technical Education Facility Program Reservation of Funds*
- *How to Submit a Fund Release Authorization (Form SAB 50-05) in OPSC Online*
- *Financial Hardship*
- *Site Development Worksheet for Additional Grants & The Facility Hardship Cost Estimate*
- *Grant Agreements in OPSC Online*
- *Substantial Progress Checklists and Expenditure Reports in OPSC Online*

If you have suggestion for other topics, they can be submitted to [OPSCCommunications@dgs.ca.gov](mailto:OPSCCommunications@dgs.ca.gov). All online trainings are archived to OPSC's YouTube channel for future use. Our YouTube channel can be found at: <https://www.youtube.com/user/OPSCYou/>.

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

OPSC Staff are available to provide hands-on assistance to all school districts and interested parties in the use of OPSC Online. Staff can connect to you via variety of video conferencing software applications including Microsoft Teams, Zoom, Cisco WebEx, and Google Meet. You can screenshare your computer and staff will assist you in navigating OPSC Online as well as guide you through the application submittal process.

To request assistance, please reach out to OPSC's Project Manager assigned to your County, found under "Contact" on OPSC's website: <https://www.dgs.ca.gov/OPSC/Contact>.

## **DGS/OPSC EMAIL BLASTS**

The Department of General Services (DGS) and OPSC uses 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. Signing up will give you immediate access to email notifications of upcoming meetings, key dates, and reminders. The signup link can be found under "Contact" on OPSC's website: <https://www.dgs.ca.gov/OPSC/Contact>.

## **INTERNET EXPLORER AND OPSC's SAB 50-01 ONLINE ENROLLMENT PROJECTION CALCULATOR**

OPSC's SAB 50-01 Online Enrollment Projection Calculator is used to generate the *Enrollment Certification/Projection* (Form SAB 50-01) which is submitted by school districts and county offices of education to establish and update new construction eligibility annually, or as needed for funding requests. At this time, the online enrollment calculator can only generate the form using Microsoft's Internet Explorer (IE) browser.

On June 15, 2022, Microsoft retired Internet Explorer. OPSC is working to reprogram the calculator to work natively in other web browsers; however, in the interim OPSC has created an instructional guide on how to turn on "IE mode" in Microsoft Edge to allow the generation of the form using Microsoft Edge.

The Microsoft Edge Guide can be found on our Online Application webpage section under Resources at <https://tinyurl.com/2d4z79rw>.

## **LOCAL AUDITS**

Projects funded after April 1, 2017 in which the final expenditure report has been reported to OPSC require an independent audit to be performed within one year of the reporting date. Once the audit is completed, a copy of report must be submitted for review and certified by the State Controller's Office who in turn will forward a copy to OPSC for record keeping purposes and data collection. A yearly analysis report of these certified independent audits is compiled and presented the SAB at the beginning of each year.

All acknowledged yearly reports are available on our Audit K-12 Resource webpage section under Resources at <https://tinyurl.com/1a7pk55e>

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

Please let OPSC know if your district recently went through personnel changes and now have a new superintendent and/or authorized district representative. To replace the name of a district representative, an *Eligibility Determination* (Form SAB 50-03) (<https://www.dgs.ca.gov/OPSC/Forms>) must be submitted to OPSC either via US Mail or may be emailed to [OPSCApplicationReviewTeam@dgs.ca.gov](mailto:OPSCApplicationReviewTeam@dgs.ca.gov).

### **[Upcoming State Allocation Board Meeting](#)**

## **STATE ALLOCATION BOARD**

As a result of Senate Bill 189 (Chapter 48, Statutes of 2022), the Board is permitted to resume meetings remotely via Zoom and teleconference through June 30, 2023. The next meeting is scheduled for Wednesday, October 26, 2022, at 4:00 p.m. by way of Zoom meeting and teleconference.

### Status of Funds

#### Remaining Bond Authority (as of September 21, 2022) (includes Unfunded Approvals) (in \$ millions)

Proposition	New Construction	Modernization	Career Tech	Charter School	Overcrowding Relief	Seismic Repair
51	41.8	288.3	0.7	95.6	N/A	N/A
1D	0.6*	0.9	0.0	42.9	6.6	1.2
55	0.5*	0.0	N/A	24.1*	N/A	N/A
47	0.3	0.0	N/A	1.7	N/A	N/A
1A	0.2	0.0	N/A	N/A	N/A	N/A
Total	43.4	289.2	0.7	164.3	6.6	1.2

Assembly Bill 181	General Fund FY 22/23	General Fund FY 23/24	General Fund FY 24/25
	1,550.0	2,060.5	875.0
Total	1,550.0	2,060.5	875.0

\*Total authority is not available at this time. There are outstanding accounts receivables.

### Past Announcements

#### **APPLICATIONS RECEIVED BEYOND BOND AUTHORITY**

Received requests for new construction projects have exceeded the available bond authority. Any applications received on or after September 12, 2018 will be placed on the Applications Beyond Bond Authority List. SFP Regulations require that all new construction 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. All future new construction applications received by 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.

Received requests for modernization projects also have exceeded the available bond authority. Any accepted modernization applications received on or after March 1, 2019 will be placed on the Application Beyond Bond Authority List and will require the same type of school board resolution (per SFP Regulation Section 1859.95.1) as what is currently required for submitting new construction projects.

As of September 30, 2022, OPSC received the following for the Applications Received Beyond Bond Authority List:

- New Construction – 208 applications. Total requested - \$1,361,238,567
- Modernization – 525 applications. Total requested - \$1,573,368,529

It should be noted that health and safety projects, specifically Facility Hardship or Seismic Mitigation Program projects, are placed at the top of the SFP Workload List. Therefore, these projects will not be placed on the Applications Received Beyond Bond Authority List and do not require a Beyond Bond Authority school board resolution.

## JOINT STATE AGENCY WORKSHOP

OPSC, the California Department of Education (CDE), the Division of the State Architect (DSA), and the California Department of Forestry and Fire Protection (CAL FIRE) conducted a free workshop via Zoom on Friday, September 9, 2022. This workshop provided information to Local Education Agencies on how to build sustainable facilities and outdoor spaces and representatives from each agency were available to answer questions from attendees. A recording of the workshop has been archived on OPSC's website for any who wish to view it: <https://youtu.be/b67He0qF0AY> on school planning, design and the availability of state funding.

In addition, recordings of our previous workshops on How to Prepare for Emergencies and Roles of the State Agencies in the School Construction Process are available on OPSC's Website and YouTube channel and can be accessed at the following links: [Planning For and Addressing Natural Disasters](#) and [The Roles of State Agencies in the School Construction Process](#).

## Resources

### 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 Responses – Cost Estimates	OPSC Cost Estimates	<a href="mailto:OPSCCostEstimates@dgs.ca.gov">OPSCCostEstimates@dgs.ca.gov</a>
90 Day Responses – Eligibility Updates	Hannah Konnoff	<a href="mailto:Hannah.Konnoff@dgs.ca.gov">Hannah.Konnoff@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</u> <i>Application for Funding</i> (Form SAB 70-01) <i>Fund Release</i> (Form SAB 70-02) <i>Expenditure Report</i> (Form SAB 70-03)	Lindsey Gordon	<a href="mailto:Lindsey.Gordon@dgs.ca.gov">Lindsey.Gordon@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.
Grant Agreements	OPSC Grant Agreement	<a href="mailto:DGSOPSCGrantAgreements@dgs.ca.gov">DGSOPSCGrantAgreements@dgs.ca.gov</a>
Priority Funding Requests	Kelsie Muramoto and	<a href="mailto:Kelsie.Muramoto@dgs.ca.gov">Kelsie.Muramoto@dgs.ca.gov</a> and

Document Type	CC NAME	CC EMAIL ADDRESS
	OPSC Priority Funding	<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](#).