



Office of Public School Construction

STAFF TO THE STATE ALLOCATION BOARD

October 2024 Update

Buzzworthy

STATEWIDE SCHOOL FACILITIES BOND

Proposition 2 - Kindergarten Through Grade 12 Schools and Local Community College Public Education Facilities Modernization, Repair, and Safety Bond Act of 2024

On July 3, Assembly Bill 247 (Chapter 81, Statutes of 2024, Muratsuchi) was enrolled and subsequently signed by the Governor to place a statewide school facilities bond bill on the November 2024 general election ballot. The Secretary of State issued a press release assigning Proposition 2 to the November ballot measure. If passed by voters, the Act would, in part:

1. Provide \$10 billion to construct and modernize education facilities, of which \$8.5 billion is set aside for elementary and secondary educational facilities.
2. Grandfather applications submitted on or before October 30, 2024.
3. Require submission of a five-year school facilities master plan as a condition of participating in the School Facility Program (SFP).
4. Establish a points-based determination and sliding scale for the required state and local match for SFP projects.
5. Authorize additional funding under the SFP for the replacement of school buildings that are at least 75 years old.
6. Provide assistance to small school districts and school facilities located on military installations.
7. Provide funding for the testing and remediation of lead in water fountains and faucets on school sites.
8. Establish several new supplemental grants and authorize the State Allocation Board (SAB) to provide interim housing assistance following specified natural disasters.
9. Increase the maximum level of bond capacity allowable for a school district to be eligible for financial hardship funding from \$5 million to \$15 million and provide an annual inflation adjustment to this amount.

If the Act is passed by voters in the November election, staff will present an item at the December SAB meeting regarding initial implementation.

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

At its meeting on September 27, 2023, the SAB adopted proposed regulatory amendments, as well as amendments to three associated Program forms and the grant agreement master templates. The amendments allow for extended fund release and project completion deadlines to be applied to applications apportioned in the third and fourth funding rounds that were originally received in February 2022 and April 2023, as well as any future funding rounds. The regulations were approved by the Office of Administrative Law (OAL) on June 3, 2024, and are effective October 1, 2024.

PRIORITY FUNDING APPORTIONMENTS

At the September 25, 2024 meeting, the SAB approved the Priority Funding (PF) Apportionments of approximately \$52.2 million for seven projects that submitted a valid certification.

PROPOSED EMERGENCY REGULATORY AMENDMENTS FOR THE SCHOOL FACILITY PROGRAM

At the September 25, 2024 meeting, the SAB adopted the proposed regulatory amendments, on an emergency basis, to authorize extended fund release deadlines to 18 months for projects where a school district has a school facility located on a military installation that is the recipient of a federal grant that requires a local matching share. Additionally, the SAB authorized the Executive Officer to file the proposed regulatory amendments with the OAL on an emergency basis and make the regulation permanent.

UPCOMING STAKEHOLDER MEETING AND PROPOSED REGULATIONS

OPSC will be scheduling an upcoming stakeholder meeting to:

- Continue the discussion and receive stakeholder input regarding proposed regulatory amendments to the Facility Hardship and Seismic Mitigation Programs to ensure clarity and consistency; and
- Discuss the impact of reporting Transitional Kindergarten into current enrollment projections as its own grade category.

This meeting will be webcast, and the notice will be posted to OPSC's website under the "meetings" tab here:

[Meetings \(ca.gov\)](#)

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.

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 Application Received Beyond Bond Authority (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

From the time of notification, projects are typically ready for Apportionment in about 180 days. 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 SAB, 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). Non-financial hardship districts have 180 days from Apportionment and districts with financial hardship have 365 days to submit a 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.

REMINDER OF ANNUAL CBEDS ENROLLMENT YEAR CHANGE FOR ELIGIBILITY UPDATES

October 31, 2024 is the last day of the 2023/2024 enrollment year for the SFP. If a school district wishes to use the 2023/2024 enrollment reporting year data, the school district must submit an eligibility update on or before October 31, 2024 using an *Enrollment Certification/Projection* (Form SAB 50-01) for New Construction or an *Eligibility Determination* (Form SAB 50-03) for Modernization. If a school district would prefer to use the

2024/2025 enrollment reporting year data, the school district must submit an eligibility update on or after November 1, 2024.

Reminders

SCHOOL DISTRICTS IMPACTED BY STORMS AND/OR OTHER NATURAL DISASTERS

As we head into the winter season, OPSC staff are available to meet with school districts that experience damages to their school site(s) as a result of storms and severe flooding that may be beyond the costs covered by insurance, the Governor's Office of Emergency Services (CalOES), and the Federal Emergency Management Agency (FEMA). OPSC encourages school districts impacted by winter storms to reach out to OPSC's Facility Hardship Program Team to discuss potential funding options. More information about the Facility Hardship Program may be found on OPSC's website.

SCHOOL DISTRICT EXTENSION REQUESTS

School districts requiring extensions to due dates resulting from an emergency can reach out to our office. OPSC will accept and review extension requests for 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](#).

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 names of the designee that 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 (one example being Routine Restricted Maintenance Account deposits for 20 years.) These requirements vary from program to 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 Public Contract Code (PCC) and Government Code.

Authorization of a new District Representative requires an *Eligibility Determination* (Form SAB 50-03): https://www.dgs.ca.gov/-/media/Divisions/OPSC/Forms/SAB-50-03_ADA.pdf to be submitted with Part I filled out, listing the new District Representatives names and their contact information. Additionally, a district must enter the date and submit a copy of the school board resolution where the district's local Board of Education authorized the individuals listed on the Form SAB 50-03 to be official District Representatives.

As of July 1, 2023, all newly submitted school board resolutions must be specific to SAB-administered programs. In October 2023, OPSC published an amended 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](#).

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 for modular school facilities. The SAB provided a grace period for Board-administered programs, applying to projects with construction contracts signed on or within sixty calendar days (through August 21, 2022) of SAB action. Additionally, the SAB tasked Staff to create a new process 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 created a [webpage](#) to advise school districts of the PCC requirements and its applicability to state funding. OPSC also 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 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.

PROJECT INFORMATION WORKSHEET TRANSITIONED TO OPSC ONLINE

On May 31, 2024, the submittal of the Project Information Worksheet (PIW) transitioned to [OPSC Online](#). Each OPSC Online user has a unique User ID based on their email address and can reset their own password. Users must be authorized by a school district superintendent or authorized representative to create a PIW on the school district's behalf; however, only a school district superintendent or authorized representative may submit the PIW. A user may serve as a delegate, architect of record, design professional, or consultant for multiple school districts simultaneously. Once authorized, access can be created by contacting the school district's superintendent, authorized representative, OPSC's assigned Project Manager, or [OPSC's Application Review Team](#).

The PIW is required for all New Construction and Charter School projects when submitting the *Fund Release Authorization* (Form SAB 50-05), the first annual *Expenditure Report* (Form SAB 50-06), and the final *Expenditure Report* (Form SAB 50-06). To submit a PIW, go to the Application Management page via your Dashboard or search by the application number from the Dashboard. A link to create a PIW is available on the left-hand navigation modules. For reference, a User Guide is on our website [here](#). For OPSC Online assistance, please refer to the [OPSC Online User Guide](#) or contact your project manager.

PROJECT TRACKING NUMBER GENERATOR TRANSITIONED TO OPSC ONLINE

Effective April 18, 2024, the Project Tracking Numbers (PTN) and the PTN Search Tool transitioned to OPSC Online. All users must be authorized by a school district superintendent or authorized representative to create a PTN on the school district's behalf. Once authorized, access can be created by contacting the school district's superintendent, authorized representative, OPSC's assigned Project Manager, or [OPSC's Project Tracking Administration Team](#). For assistance, please refer to the OPSC Online User Guide under Resources in OPSC Online or contact OPSC's Project Tracking Administration Team at OPSCProjectTrackingAdmin@dgs.ca.gov.

SAB 50-01 ONLINE ENROLLMENT PROJECTION CALCULATOR TRANSITIONED TO OPSC ONLINE

OPSC's SAB 50-01 Online Enrollment Projection Calculator is used to generate the Form SAB 50-01 to establish and update new construction eligibility annually, or as needed for funding requests. Effective April 18, 2024, the online enrollment calculator can be accessed through OPSC Online by clicking on Enrollment Projection in the application header. Users are not required to have an OPSC Online login to access the online enrollment calculator. Feedback may be provided to OPSC's Project Manager assigned to your County, OPSC's Communications Team at OPSCCommunications@dgs.ca.gov.

Please note, the online enrollment calculator can still be accessed using Microsoft's Internet Explorer (IE) browser by turning on "IE mode" in Microsoft Edge to allow the generation of the form. A Microsoft Edge Guide can be found on our Online Application webpage, under Resources at <https://tinyurl.com/2d4z79rw>. The online version of the calculator will be available for a few more months but will eventually be decommissioned.

OPSC ONLINE DIRECTORY OF SERVICES

The Directory of Services was removed from our external website and can now be accessed under the Resources section of [OPSC Online](#), after logging in. If you have questions or are not already working with a team member, please contact OPSC's Communications Team at OPSCCommunications@dgs.ca.gov or (916) 376-1771. Your correspondence will then be forwarded to the appropriate team member for a timely response.

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. You can screenshare your computer screen and Staff will assist you in

navigating OPSC Online and guide you through the application submittal process. 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.

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 sign up link is under "Contact" on OPSC's website: <https://www.dgs.ca.gov/OPSC/Contact>.

LOCAL AUDITS

Projects funded after April 1, 2017 for 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 the 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 to the SAB at the beginning of each year.

PRESCHOOL – 12TH GRADE SCHOOL CONSTRUCTION PICTURES WANTED

OPSC seeks photos of state-funded school construction and modernization projects to feature in OPSC/DGS publications and websites to showcase recent accomplishments in partnership with the state.

- Photos should be high-resolution to support 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.

Please email pictures as attachments, 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 to OPSCCommunications@dgs.ca.gov.

Upcoming State Allocation Board Meeting

UPCOMING STATE ALLOCATION BOARD MEETING

The next meeting is scheduled for Wednesday, October 23, 2024. Additionally, the last meeting of the year is scheduled for Tuesday, December 3, 2024. The time and location of the meetings 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 September 25, 2024) (includes Unfunded Approvals) (\$ in millions)

Assembly Bill 181	General Fund FY 22/23	General Fund FY 23/24
	0.2	515.8
Total	0.2	515.8

Proposition	New Construction	Modernization	Career Tech	Charter School	Overcrowding Relief	Seismic Repair
51	0.6*	2.9	10.2	2.2	N/A	N/A
1D	0.0*	0.0	0.1	1.4*	6.4	0.0
55	1.8*	0.0	N/A	2.4*	N/A	N/A
47	0.0	0.0	N/A	0.3	N/A	N/A
1A	0.0	0.0	N/A	N/A	N/A	N/A
Total	2.4*	2.9	10.3	6.3*	6.4	0.0

* Total authority is not available at this time due to outstanding accounts receivable. Proposition 51 \$141,663 for New Construction and \$1,183 for Modernization. Proposition 1D \$24,497 for New Construction and \$95,702 for Charter. Proposition 55 \$1,461,909 for New Construction and \$317,494 for Charter School.

APPLICATIONS RECEIVED BEYOND BOND AUTHORITY

Received requests for new construction and modernization projects have exceeded the available bond authority. New construction applications received on or after February 15, 2022, and modernization applications received on or after February 11, 2022, will be placed on the ARBBA List. SFP Regulations require that all new construction and modernization 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 September 30, 2024, OPSC received the following for the ARBBA List:

- New Construction – 199 applications. Total requested - \$1,357,197,831
- Modernization – 831 applications. Total requested - \$2,586,489,762

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 ARBBA List and do not require a Beyond Bond Authority school board resolution.

Resources

EXECUTIVE ORDER – CONTRACTOR AND GRANTEE COMPLIANCE WITH ECONOMIC SANCTIONS

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (EO) in response to Russian aggression in Ukraine, accessible at <http://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf>. 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 or (279) 946-8463, and for concerns on DGS contracts, please contact the Office of Public Affairs at 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 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

A Team member will email acknowledgement receipts for all submittals. The document types listed below should be emailed to 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	OPSCCostEstimates@dgs.ca.gov
90 Day Notification Responses – Eligibility Updates	Isael Silva	Isael.Silva@dgs.ca.gov
<i>Fund Release Authorization</i> (Form SAB 50-05) (SFP)	OPSC Fund Release Department	OPSCFundRelease@dgs.ca.gov
<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)	OPSC Full-Day Kindergarten	DGSOPSCFullDayKindergarten@dgs.ca.gov
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 Agreements	OPSCGrantAgreements@dgs.ca.gov
Priority Funding Requests	Kelsie Muramoto and OPSC Priority Funding	Kelsie.Muramoto@dgs.ca.gov and OPSCPriorityFunding@dgs.ca.gov
Substantial Progress Checklists / <i>Expenditure Reports</i> (Form SAB 50-06)	Sue Reese	Suzanne.Reese@dgs.ca.gov
Financial Hardship	Jason Hernandez	Jason.Hernandez@dgs.ca.gov
<i>Appeal Requests</i> (Form SAB 189)	Michael Watanabe	Michael.Watanabe@dgs.ca.gov

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