



# CSFC Connection

## COEs to Caucus at CSFC General Membership Meeting This Month

### ***Meeting to Focus on Financial Hardship and Special Education***

Facilities representatives of County Offices of Education (COE) across the state will meet to discuss issues related to the state facility construction process and funding as the County School Facilities Consortium (CSFC) general membership meeting convenes on February 23 at 9:00 a.m. in Room 303 of the Sacramento Convention Center.

Specific issues to be discussed are the latest information on actions as a result of the work of the Financial Hardship Stakeholder Group (see

article on Page 2), as well as budget and bond discussions. Budget subcommittees have been in full swing this month as Governor Brown is seeking to move tax extensions to the ballot for voters to decide this year. The Governor has said that schools will not be harmed further if such extensions are approved.

The CSFC meeting will wrap-up with a review and discussion on special education facilities with staff from the California Department of Education (CDE). CDE will share the outcomes of the special education working group that CSFC helped convene and participated in,

and will provide a summary of the federal review statewide on special education students, housing, and programs.

Other items for discussion are a CSFC listserv or website and a potential webinar on project financing mechanisms or other issues of relevance to local education agencies.

For questions about the CSFC agenda, please contact Anna Ferrera at [aferrera@m-w-h.com](mailto:aferrera@m-w-h.com), and for information on joining CSFC please contact Meagan Poulos at [mpoulos@m-w-h.com](mailto:mpoulos@m-w-h.com).

## Assembly Member Brownley Introduces 2012 School Bond Bill

### ***Assembly Member – Chair of the Assembly Education Committee – Julia Brownley Introduces 2012 School Bond Bill***

Assembly Member Julia Brownley has once again introduced a statewide school bond by introducing Assembly Bill 331 on February 11. Assembly Education Committee Consultant Sophia Kwong-Kim notified school facilities stakeholders earlier this month that Ms. Brownley has introduced a bill that expresses the intent of the Legislature to enact a 2012 school bond, stating

that Ms. Brownley is “committed to pursuing a bond;” however, recognizing that if a bond is not fiscally viable, she is open to exploring alternative school facility funding mechanisms.

Brownley will use 2011 to engage the Legislature in a robust conversation about financing alternatives, as well as program reforms for the K-12 facility program. The introduction of AB 331 recognizes the depletion of higher education bond funds, the soon-to-be depleted K-12 bond funds and the continued

education facilities needs across California now and into the future.

Brownley began exploring alternative ways to finance school construction last year with a similar bill as she became keenly aware of the concerns about the growing fiscal burden state General Obligation

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## *CSFC Members Move Financial Hardship Recommendations as Part of Working Group*

CSFC along with other members of the Financial Hardship Stakeholder Group (FHSG) has held a series of meetings with Chief Deputy Director Stephen Amos of the Department of General Services (DGS) and the Office of Public School Construction (OPSC) staff on recommendations to the Financial Hardship (FH) program.

The group focused on three items that all agreed could move forward:

- Concurrent reviews of FH approvals and applications for funding;
- Equity under the DSA bulletin that reviews assignment categories; and,
- Eligibility of site-related expenses under the FH Program.

The over-arching theme set by Stephen Amos in these meetings has been equity in the program for those under hardship.

FHSG's stated goal was the same – not looking for any advantage for FH - just the ability to move through the funding queue in an efficient and accountable way, without being disadvantaged because of FH status.

### ***Summaries of Discussions:***

#### **Concurrent Applications**

This item is still being considered by staff. OPSC's written response stated that current statute/regulation does not provide the flexibility to allow concurrent review. The FHSG

asked whether a form of conditional approval could be considered so that applications could be submitted with the caveat that they could not move forward without full approval and FH status.

Staff agreed to review, although there was a comment that conditional reviews were no longer being done. It was explored further by Amos who seemed to urge staff to positively approach this concept in the spirit of equity.

#### **Division of the State Architect (DSA) Bulletin**

Matt Pettler, Patti Herrera and Anna Ferrera met with Masha Lutsuk of DSA on January 6, 2011 to discuss the language in the DSA bulletin. The issue was that because FH projects do not have local funds as required to be in Category 1 or 2 and prioritized accordingly, they are at a disadvantage.

As a result, changes have been made to the bulletin format that will maintain three categories similar to those currently in place, but would also provide for another box that if checked would indicate that projects are under time/deadline constraints – specifically including FH – that would move them forward in an equitable way. That language was presented at our meeting and discussed at length. The final version is on pages 6-8.

Checking the box would mean that the project would be flagged at the

agency and would be treated appropriately in light of the time constraint.

#### **Eligibility of Site-Related Expenses Under the FH Program**

Discussion among the group centered on the fact that - toward the goal of responsible use of taxpayer funds - LEAs under FH should be encouraged to do their due diligence pre-construction and site acquisition to ensure that land is not purchased that may be unsuitable for school construction. Ultimately the cost would be greater and the state burdened with a property that cannot be used.

The FHSG requested that Staff review the following statement in SFP Regulation Section 1859.81.1:

“The amount apportioned is an estimate of the funds needed for design, engineering, and other pre-construction project costs”

This language appears to allow Local Education Agencies (LEAs) to expend their design grant on all site-related costs to ensure that the site is suitable for construction.

Amos agreed that this was important; however, staff asked how they might determine when such actions go beyond what is necessary. Where the line might be drawn for the state? Can you determine how long is too long going down the road of due diligence? The group discussed whether a list of eligible

*(Brownley, continued from Page 1)*

bonds have put on the state General Fund. The introduction of AB 331 demonstrates her continued commitment to funding school facilities while viable alternatives are explored.

In addition to addressing the need for a future statewide bond, AB 331 also does the following:

- States that the Department of General Services shall administer the School Facility Program (SFP) at the direction of the State Allocation Board (SAB) in keeping with the regulations approved by the SAB;
- Excludes elementary new construction and modernization projects from the Career Technical Education certification requirements for SFP projects;
- Makes changes to new construction eligibility determination calculations;
- Specifies that a “binding contract” for the purposes of requesting a Fund Release can be for “professional services or for construction;”
- Provides the SAB discretion to extend the deadline for filing a Fund Release request; and
- Authorizes the SAB to hire legal counsel as an employee to the SAB, reporting directly to the SAB.

In addition to new models for funding, CSFC will be looking carefully at sections that may have an impact on Financial Hardship, Special and Alternative Education and funding allowances for Administrative Buildings under hardship.

We look forward to working with Assembly Member Brownley, her staff, and the Legislature on AB 331 to secure school facilities funding.

## *School Energy Coalition* *Seeking COE Members*

Are you planning an energy efficiency or renewable generation project that just needs a bit more funding or technical support? Are there state and federal programs out there – or are now being considered – that could help get more school projects moving forward? Do you have questions about the real costs of construction and maintenance of solar? Seeking more information on potential career technical training on energy-related jobs for students and for energy project maintenance for school employees?

These are some of the questions the School Energy Coalition (SEC) will address.

Join us at our first SEC meeting during the C.A.S.H. Annual Conference at 3:30 p.m. on Tuesday, February 22, 2011, in Room 317/318 of the Sacramento Convention Center. For more information and membership contact Meagan Poulos at mpoulos@m-w-h.com.

*(CDE staff has been invited to provide an update of the goals of their newly-formed green energy panel.)*

### *CSFC Executive Committee*

**Jenny Hannah, Chair**

Kern County  
Supt. of Schools

**Mamie Starr**

San Joaquin COE

**Lindsay Currier**

Riverside COE

**Jeff Becker**

Fresno COE

**Dave Keil**

San Luis Obispo COE

**Steve Turner**

Mendocino COE

**Immediate Past Chair:**

**Andrea Sullivan**

Orange County Dept. of Ed.

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expenses should be developed, but it was dismissed as a list would not tell staff how much was too much. Staff said they would review and respond based on the discussion.

### **Additional Staff Proposed Solution Regarding Phase I and Phase II**

Staff is recommending that County Offices of Education (COEs) submit their Phase II FH Checklist when they submit their initial Phase I application, essentially forgoing Phase II and expediting the review process for COEs. The FHSG also requested that at minimum Staff explore an expedited review and Phase I approval (i.e., 2 weeks) for districts that would allow them to submit funding applications in a more equitable and timely manner.

### **Response from Staff After Further Discussion**

Overall, staff agreed to review the discussion, suggestions and potential compromises that were discussed and stated they would get back to the group in the next two weeks. A meeting is scheduled for February 16, 2011. We will discuss OPSC's latest responses at our next CSFC membership meeting on February 23.

## ***CDE Special Education Group Completes its Work***

After a year-long series of meetings, bringing county offices, school districts, SELPA representatives, and CDE staff from both the facility and special education policy offices, the Special Education Working Group has accomplished what they set out to do: bringing parties together to develop a new understanding of the many perspectives involved with planning and building classroom facilities for students with special needs.

CSFC appreciates the opportunity to participate as a stakeholder in this working group, and CDE's gracious hosting of this success-

ful effort. We believe this group now has a much better understanding of the concerns on all sides of the decision-making process with regard to special education facilities. The work of this group will hopefully contribute to better lines of communication for all parties involved with this process.

As a result of the working group's discussions and input, CDE has issued its Procedures for Non-Integrated Special Education Projects that will provide guidance and a pathway for review for those projects that are considered stand-alone sites by CDE.

## ***Save the Date!***

The 2011 CSFC Annual Summit will be  
***September 19-20, 2011***  
at the Sheraton Grand Hotel in Sacramento.

Mark your calendars now!

