

### 6350 School Facilities Aid Program

The School Facilities Aid Program provides financing to local educational agencies for K-12 school facility-related activities such as school construction, deferred maintenance, and emergency repairs.

The Leroy F. Greene School Facilities Act of 1998, Chapter 407 of the Statutes of 1998 (SB 50), created the School Facility Program (SFP) to streamline school construction funding. Proposition 1D, approved in November 2006, provided State General Obligation Bonds of \$5.2 billion to local educational agencies for new construction and modernization projects. Further, Proposition 1D provided \$500 million for the Career Technical Education Facilities Program, to create and equip facilities so that students can acquire high-demand skills necessary for the technical careers of today and tomorrow; and provided \$100 million for the High Performance Incentive Grant Program which promotes the use of high performance attributes in new construction and modernization projects. High performance attributes include using designs and materials that promote energy and water efficiency, maximize the use of natural lights, improve indoor air quality, and utilize recycled materials. The SFP also contains provisions for Charter Schools, Career Technical Education Facilities, Overcrowding Relief, Critically Overcrowded Schools, Joint-Use, and Seismic Mitigation.

The State School Deferred Maintenance Program, established by Chapter 282 of the Statutes of 1979 (AB 8), traditionally provides state matching funds, on a dollar-for-dollar basis, to assist local educational agencies with expenditures for major repair or replacement of school building components, such as roofing, plumbing, heating, air conditioning, electrical systems, interior/exterior painting, and floor systems. Chapter 12 of the Statutes of 2009 of the third extraordinary session (X3 SB 4) requires the Office of Public School Construction to distribute program funds for the 2008-09 fiscal year through the 2012-13 fiscal year proportionate to the amount of program funds a local educational agency received for the 2008-09 fiscal year. X3 SB 4 also provides local educational agencies with the flexibility to use program funds for any educational purpose through 2012-13. The program traditionally provides funds for critical hardship projects where the work must be completed within one year. However, Chapter 2 of the Statutes of 2009 of the fourth extraordinary session (X4 SB 2) suspended the extreme hardship project provisions until July 1, 2013. X4 AB 2 also suspended the requirement for local educational agencies to match state funds on a dollar-for-dollar basis from 2008-09 through 2012-13. Recently, Chapter 7 of the Statutes of 2011 (SB 70) extended the proportional distribution of deferred maintenance funds, the suspension of the extreme hardship provisions, and the dollar-for-dollar match of state funds through 2014-15.

As a part of the Williams vs. State of California settlement, Chapter 899, Statutes of 2004 (SB 6) established the Emergency Repair Program (ERP). In order to help meet emergency repair costs, the School Facilities Emergency Repair Account is funded from the Proposition 98 Reversion Account until a total of \$800 million has been disbursed for the purpose of addressing emergency facilities needs at school sites in deciles 1 through 3 based on the 2006 Academic Performance Index. As a continuation of the provisions of the settlement, Chapter 704, Statutes of 2006 (AB 607) adopts and encourages participation in the ERP by providing grant funding as well as funding to reimburse applicants for emergency repairs, and provides for a permanent state standard of good repair. To date the state has provided over \$338 million for the ERP.

#### 3-YR EXPENDITURES AND POSITIONS

		Positions			Expenditures		
		2011-12	2012-13	2013-14	2011-12*	2012-13*	2013-14*
10	School Facilities Aid Program	-	-	-	\$1,230,402	\$3,173,176	\$2,680
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>		-	-	-	<b>\$1,230,402</b>	<b>\$3,173,176</b>	<b>\$2,680</b>
<b>FUNDING</b>					<b>2011-12*</b>	<b>2012-13*</b>	<b>2013-14*</b>
0001	General Fund				-\$617	-\$296	-\$56
0001	General Fund, Proposition 98				617	296	56
0119	1998 State School Facilities Fund				137	25,137	-
0344	State School Building Lease - Purchase Fund				3,651	108	-
0961	State School Deferred Maintenance Fund				2,706	2,681	2,680
3082	School Facilities Emergency Repair Account				11,415	2,938	-
6036	2002 State School Facilities Fund				52,512	182,473	-
6044	2004 State School Facilities Fund				388,124	836,367	-
6057	2006 State School Facilities Fund				771,857	2,123,472	-
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>					<b>\$1,230,402</b>	<b>\$3,173,176</b>	<b>\$2,680</b>

#### DETAILED BUDGET ADJUSTMENTS

		2012-13*			2013-14*		
		General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Workload Budget Adjustments</b>							
<b>Other Workload Budget Adjustments</b>							
•	Adjustment to 2006 State School Facilities Program	\$-	\$1,160,539	-	\$-	-\$950,238	-
•	Adjustment to 2004 State School Facilities Program	-	835,770	-	-	4,024	-
•	Adjustment to 2002 State School Facilities Program	-	182,473	-	-	186	-

\* Dollars in thousands, except in Salary Range.

## 6350 School Facilities Aid Program - Continued

	2012-13*			2013-14*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Adjust Funding Levels for the Deferred Maintenance Program	-	62,072	-	-	62,312	-
• Adjust abatement to General Fund from School Building Aid Fund	-	-10	-	-	-250	-
• Adjust Excess Loan Repayments from General Fund for Deferred Maintenance	-10	-	-	-250	-	-
• Adjust Loan Repayments to the General Fund from the School Building Aid Fund	-	10	-	-	250	-
• Adjustment to the 1998 and 2000 State School Facilities Programs	-	25,137	-	-	-	-
• Reflect Funding Provided for the Emergency Repair Program	-	2,938	-	-	9,669	-
• Reflect Funding Provided for the Emergency Repair Program	-	-	-	-	-9,669	-
• Adjust State Operations Costs for State Relocatable Classroom Program	-	83	-	-	6	-
• Adjust State Operations Costs for State Relocatable Classroom Program	-	-	-	-	-6	-
• Adjustment to 2006 State School Facilities Program for SDE, SCO, and CSFA State Operations	-	4,265	-	-	1,178	-
• Adjustment to 2004 State School Facilities Program for SDE, SCO, and CSFA State Operations	-	-	-	-	-1,046	-
• Adjustment to 2002 State School Facilities Program for SDE, SCO, and CSFA State Operations	-	-	-	-	-43	-
• Adjustment to 2006 State School Facilities Program for DGS State Operations	-	14,705	-	-	5,625	-
• Adjustment to 2004 State School Facilities Program for DGS State Operations	-	-	-	-	-3,575	-
• Adjustment to 2002 State School Facilities Program for DGS State Operations	-	-	-	-	-143	-
• Increase 2006 State School Facilities Program State Operations for Biannual OSAE Audit	-	-	-	-	-528	-
• Adjustment to tie State Operation Adjustments for Deferred Maintenance	-	108	-	-	-	-
• Adjust Abatement to General Fund from School Building Aid Fund	10	-	-	250	-	-
• Adjustment in Funding Levels for the Deferred Maintenance Program	-	-61,878	-	-	-62,036	-
<b>Totals, Other Workload Budget Adjustments</b>	<b>\$-</b>	<b>\$2,226,212</b>	<b>-</b>	<b>\$-</b>	<b>-\$944,284</b>	<b>-</b>
<b>Totals, Workload Budget Adjustments</b>	<b>\$-</b>	<b>\$2,226,212</b>	<b>-</b>	<b>\$-</b>	<b>-\$944,284</b>	<b>-</b>
<b>Policy Adjustments</b>						
• Transfer of Deferred Maintenance Program to Weighted Student Formula	\$-	\$-	-	\$-	\$250,826	-
• Transfer of Deferred Maintenance Program to Weighted Student Formula	-	-	-	-	-250,826	-
<b>Totals, Policy Adjustments</b>	<b>\$-</b>	<b>\$-</b>	<b>-</b>	<b>\$-</b>	<b>\$-</b>	<b>-</b>
<b>Totals, Budget Adjustments</b>	<b>\$-</b>	<b>\$2,226,212</b>	<b>-</b>	<b>\$-</b>	<b>-\$944,284</b>	<b>-</b>

## DETAIL OF APPROPRIATIONS AND ADJUSTMENTS

\* Dollars in thousands, except in Salary Range.

## 6350 School Facilities Aid Program - Continued

	2011-12*	2012-13*	2013-14*
<b>2 LOCAL ASSISTANCE</b>			
<b>0001 General Fund, Proposition 98</b>			
APPROPRIATIONS			
Education Code Section 17080 (transfer to State School Deferred Maintenance Fund)	\$617	\$296	\$56
<b>TOTALS, EXPENDITURES</b>	<b>\$617</b>	<b>\$296</b>	<b>\$56</b>
<b>0001 General Fund</b>			
APPROPRIATIONS			
Education Code Sections 16096 and 16504	\$-674	\$-379	\$-139
Education Code Section 17080 (transfer to State School Deferred Maintenance Fund)	57	83	83
<b>TOTALS, EXPENDITURES</b>	<b>\$-617</b>	<b>\$-296</b>	<b>\$-56</b>
<b>0119 1998 State School Facilities Fund</b>			
APPROPRIATIONS			
Prior year balances available:			
Education Code Section 100420 (a)(b) as added by Chapter 407, Statutes of 1998	\$25,274	\$25,137	\$-
<b>Totals Available</b>	<b>\$25,274</b>	<b>\$25,137</b>	<b>\$-</b>
Balance available in subsequent years	-25,137	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$137</b>	<b>\$25,137</b>	<b>\$-</b>
<b>0344 State School Building Lease - Purchase Fund</b>			
APPROPRIATIONS			
Education Code Section 17008	\$3,651	\$108	\$-
<b>TOTALS, EXPENDITURES</b>	<b>\$3,651</b>	<b>\$108</b>	<b>\$-</b>
<b>0739 State School Building Aid Fund</b>			
APPROPRIATIONS			
Education Code Section 17088(f)	0	0	\$312
Transfer to Department of General Services for State Operations	\$-	\$-	-312
Education Code Sections 16096 and 16504 (Abatement to General Fund)	674	379	139
<b>TOTALS, EXPENDITURES</b>	<b>\$674</b>	<b>\$379</b>	<b>\$139</b>
Loan Repayments from School Districts per Education Code Section 16080	-674	-379	-139
<b>NET TOTALS, EXPENDITURES</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>
<b>0961 State School Deferred Maintenance Fund</b>			
APPROPRIATIONS			
Prior year balances available:			
Education Code Section 17080	\$254,263	\$253,969	\$2,902
Transfer to Department of General Services for State Operations	-57	-83	-
Transfer to Department of General Services for State Operations	-	-	-83
<b>TOTALS, EXPENDITURES</b>	<b>\$254,206</b>	<b>\$253,886</b>	<b>\$2,819</b>
Less funding provided by the General Fund	-251,500	-251,205	-139
<b>NET TOTALS, EXPENDITURES</b>	<b>\$2,706</b>	<b>\$2,681</b>	<b>\$2,680</b>
<b>3082 School Facilities Emergency Repair Account</b>			
APPROPRIATIONS			
Education Code Section 17592.71	\$11,415	\$2,938	\$9,669
<b>TOTALS, EXPENDITURES</b>	<b>\$11,415</b>	<b>\$2,938</b>	<b>\$9,669</b>
Less Funding Provided by the General Fund	-	-	-9,669
<b>NET TOTALS, EXPENDITURES</b>	<b>\$11,415</b>	<b>\$2,938</b>	<b>\$-</b>
<b>6036 2002 State School Facilities Fund</b>			
APPROPRIATIONS			
Transfer to Department of General Services for State Operations	\$-	\$-	\$-143
Transfer to Various Departments for State Operations	-	-	-43
Prior year balances available:			
Education Code Sections 100620 (a)(f) and 100625(a)	235,355	182,843	370
<b>Totals Available</b>	<b>\$235,355</b>	<b>\$182,843</b>	<b>\$184</b>

\* Dollars in thousands, except in Salary Range.

## 6350 School Facilities Aid Program - Continued

2 LOCAL ASSISTANCE	2011-12*	2012-13*	2013-14*
Balance available in subsequent years	-182,843	-370	-184
<b>TOTALS, EXPENDITURES</b>	<b>\$52,512</b>	<b>\$182,473</b>	<b>\$-</b>
<b>6044 2004 State School Facilities Fund</b>			
APPROPRIATIONS			
Transfer to Department of General Services for State Operations	\$-	\$-	\$-3,575
Transfer to Various Departments for State Operations	-	-	-1,046
Prior year balances available:			
Education Code Sections 100820 (a)(f) and 100825(a)	1,234,866	846,194	9,242
Transfer to CA School Authority for State Operations	-548	-585	-
<b>Totals Available</b>	<b>\$1,234,318</b>	<b>\$845,609</b>	<b>\$4,621</b>
Balance available in subsequent years	-846,194	-9,242	-4,621
<b>TOTALS, EXPENDITURES</b>	<b>\$388,124</b>	<b>\$836,367</b>	<b>\$-</b>
<b>6057 2006 State School Facilities Fund</b>			
APPROPRIATIONS			
Transfer to Department of General Services for State Operations	\$-	\$-	\$-9,608
Prior year balances available:			
Education Code Sections 101010 and 101012	2,954,569	2,166,276	24,532
Transfer to Department of General Services for State Operations	-13,209	-14,196	-
Transfer to Department of Education State Operations	-2,291	-2,665	-
Transfer to CA School Authority for State Operations	-121	-429	-
Transfer to State Controllers for State Operations	-815	-982	-
Transfer to Various Departments for State Operations	-	-	-3,087
<b>Totals Available</b>	<b>\$2,938,133</b>	<b>\$2,148,004</b>	<b>\$11,837</b>
Balance available in subsequent years	-2,166,276	-24,532	-11,837
<b>TOTALS, EXPENDITURES</b>	<b>\$771,857</b>	<b>\$2,123,472</b>	<b>\$-</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>	<b>\$1,230,402</b>	<b>\$3,173,176</b>	<b>\$2,680</b>

### FUND CONDITION STATEMENTS

	2011-12*	2012-13*	2013-14*
<b>0344 State School Building Lease - Purchase Fund <sup>S</sup></b>			
BEGINNING BALANCE	-	\$108	-
Prior year adjustments	\$3,759	-	-
Adjusted Beginning Balance	\$3,759	\$108	-
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
6350 School Facilities Aid Program (Local Assistance)	3,651	108	-
Total Expenditures and Expenditure Adjustments	\$3,651	\$108	-
FUND BALANCE	\$108	-	-
Reserve for economic uncertainties	108	-	-
<b>0961 State School Deferred Maintenance Fund <sup>N</sup></b>			
BEGINNING BALANCE	-	\$3,220	\$3,220
Prior year adjustments	\$3,220	-	-
Adjusted Beginning Balance	\$3,220	\$3,220	\$3,220
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Transfers and Other Adjustments:			
FO0956 From School Site Utilization Fund per Education Code Section 17224	2,763	2,764	2,763
Total Revenues, Transfers, and Other Adjustments	\$2,763	\$2,764	\$2,763
Total Resources	\$5,983	\$5,984	\$5,983
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			

\* Dollars in thousands, except in Salary Range.

**6350 School Facilities Aid Program - Continued**

	2011-12*	2012-13*	2013-14*
Expenditures:			
6350 School Facilities Aid Program (Local Assistance)	254,206	253,886	2,819
7760 Department of General Services (State Operations)	57	83	83
Expenditure Adjustments:			
6350 School Facilities Aid Program			
Less funding provided by the General Fund (Local Assistance)	<u>-251,500</u>	<u>-251,205</u>	<u>-139</u>
Total Expenditures and Expenditure Adjustments	<u>\$2,763</u>	<u>\$2,764</u>	<u>\$2,763</u>
FUND BALANCE	\$3,220	\$3,220	\$3,220
<b>3082 School Facilities Emergency Repair Account <sup>s</sup></b>			
BEGINNING BALANCE	-	\$2,938	-
Prior year adjustments	<u>\$14,353</u>	<u>-</u>	<u>-</u>
Adjusted Beginning Balance	\$14,353	\$2,938	-
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
6350 School Facilities Aid Program (Local Assistance)	11,415	2,938	\$9,669
Expenditure Adjustments:			
6350 School Facilities Aid Program			
Less Funding Provided by the General Fund (Local Assistance)	<u>-</u>	<u>-</u>	<u>-9,669</u>
Total Expenditures and Expenditure Adjustments	<u>\$11,415</u>	<u>\$2,938</u>	<u>-</u>
FUND BALANCE	\$2,938	-	-
Reserve for economic uncertainties	2,938	-	-

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