

## **BACKGROUND:**

The New Construction Program provides State funds on a 50/50 state and local sharing basis for public school capital facility projects in accordance with statute. Eligibility for State funding is based on a district's need to house pupils and is determined by criteria set in School Facility Program legislation (SB50).

Education Code Section 17072.10 establishes the "new construction grant" per unhoused pupil for new construction projects. The State Allocation Board approved the annual adjustment to the grant on January 27, 2010. The adjusted grants are as follows: \$8,738 for each elementary school pupil, \$9,241 for each middle school pupil (include 6th grade, if part of a 6-8 school), and \$11,757 for each high school pupil.

This "new construction grant" amount is intended to provide the State's share for all necessary project costs that include, but are not limited to, funding for design, the construction of the building, general-site development, education technology, unconventional energy, tests, inspections and furniture/equipment. Site acquisition, utilities, off-site and service-site development are approved for funding based on review and approval of required documentation and funded on a 50/50 state and local sharing basis. The per pupil grant amounts are adjusted annually for inflation based on the change in the Class B Construction Cost Index as approved by the SAB each January.

The Modernization Program provides State funds on a 60/40 basis for improvements to educationally enhance school facilities. Projects eligible under this Program include such modifications as air conditioning, plumbing, lighting, and electrical systems. Site acquisition may not be included in modernization applications. Education Code Section 17074.10 establishes the "modernization grant" for each eligible pupil. The State Allocation Board approved the annual adjustment to the grant on [January 27, 2010](#). The adjusted grants are as follows: \$3,328 for each elementary school pupil, \$3,520 for each middle school pupil and, \$4,607 for each high school pupil.

The "modernization grant" amount is intended to provide the State's share for all necessary project costs. The necessary project costs include, but are not limited to, funding for design, the modernization of the building, education technology, unconventional energy, tests, inspections and furniture/equipment.

Funds for the School Facility Program may be from any funding source made available to the State Allocation Board. This includes the State General Fund and proceeds from the sale of State General Obligation Bonds. In addition, districts are required to provide a portion of the cost of a project from funds available to the school district. This may include, among other sources, local general obligation bonds, developer fees, general fund, etc.

In order to apply for approval of School Facility Program eligibility and potential funding, the District must approve a resolution designating the District Representatives and authorizing the filing of the applications.