
(SFC) SCHOOL FACILITIES COMMISSION

Public School Building Fund	\$158,632,362
School Building Program Assistance Fund	\$540,000,000
TOTAL - All Funds	\$698,632,362

PUBLIC SCHOOL BUILDING FUND (021)

CAP-622 Public School Buildings **\$154,632,362**

Category: School Building Projects

County: Statewide

These moneys are cash appropriations. Funds received from both this item and item CAP-770, School Building Program Assistance, (Fund 032) will be used to provide the state share of basic project costs to those school districts receiving approval from the School Facilities Commission (SFC) pursuant to Chapter 3318. of the Revised Code. Eligibility and priority for a district receiving state assistance is generally determined by the relative wealth of the district as measured through its three-year average adjusted valuation per pupil and the need to replace classroom facilities as assessed by the SFC. The bill states that the Controlling Board may increase appropriations to appropriation item CAP-622, Public School Buildings, (Fund 021) based on revenues received by the fund, including cash transfers and interest that may accrue to the fund. For further information on the SFC's capital appropriations and disbursements and its five major school building programs, please see the "Additional Analysis of the School Facilities Commission."

CAP-786 New School Planning and Design **\$4,000,000**

Category: Planning, New Construction

County: Franklin

These funds will be used by the SFC to administer the planning and design of new consolidated school and residential facilities for the Ohio State School for the Blind and the Ohio School for the Deaf.

SCHOOL BUILDING PROGRAM ASSISTANCE FUND (032)

CAP-770 School Building Program Assistance **\$540,000,000**

Category: School Building Projects

County: Statewide

These moneys are generated from the sale of bonds. Funds received from both this item and item CAP-622, Public School Buildings, (Fund 021) will be used to provide the state share of basic

project costs to those school districts receiving approval from the School Facilities Commission (SFC) pursuant to Chapter 3318. of the Revised Code. Eligibility and priority for a district receiving state assistance is generally determined by the relative wealth of the district as measured through its three-year average adjusted valuation per pupil and the need to replace classroom facilities as assessed by the SFC. For further information on the SFC's capital appropriations and disbursements and its five major school building programs, please see the "Additional Analysis of the School Facilities Commission."

The bill continues to permit the Director of Budget and Management, at the request of SFC's Executive Director, to cancel any encumbrances for school district projects from a previous biennium if those specific school districts did not raise their respective local shares within one year of receiving Controlling Board approval. The bill also states that these cancelled encumbrances are to be appropriated to the SFC and will be used for other school district projects.

Additional Analysis of the School Facilities Commission

The Ohio School Facilities Commission (SFC) was created in 1997 by S.B. 102 of the 122nd General Assembly to provide funding, management oversight, and technical assistance to school districts in the construction and renovation of school facilities. It operates five major programs: the Classroom Facilities Assistance Program, the Exceptional Needs Program, the Expedited Local Partnership Program, the Vocational Facilities Assistance Program, and the Vocational Facilities Assistance Expedited Local Partnership Program. These five programs served approximately 290 school districts through FY 2006; over 427 new or renovated buildings across Ohio have opened as a result.

Funding for the SFC mainly comes from state bond moneys, cash, and tobacco settlement moneys. The table below shows the SFC's total capital appropriations and disbursements by fund. From FY 1998 through FY 2006, the SFC received approximately \$4.95 billion in capital appropriations and disbursed approximately \$4.61 billion. SFC capital appropriations, including those in this bill, for the FY 2007-2008 biennium total approximately \$2.17 billion (including up to \$160.0 million cash transfers), bringing total capital appropriations over the last 10 years to up to approximately \$7.12 billion.

SFC's Capital Appropriations and Disbursements by Fund						
Appropriations						
	Bond Money (Fund 032)	Cash (Fund 021)	Tobacco (Fund 087)	Lottery Profits (Fund 018)	Federal	Total
FY 1998-FY 2006	\$3,188,400,000	\$1,173,603,489	\$551,605,714	\$5,000,000	\$26,968,827	\$4,945,578,030
FY 2007-FY 2008						
<i>H.B. 530*</i>	\$585,000,000	\$80,000,000	--	--	--	\$665,000,000
<i>H.B. 321*</i>	--	--	\$648,500,000	--	--	\$648,500,000
<i>New capital bill</i>	\$ 540,000,000	\$158,632,362 plus up to \$160,000,000 transfer	--	--	--	\$698,632,362 plus up to \$160,000,000 transfer
All Appropriations	\$1,125,000,000	\$238,632,362 plus up to \$160,000,000 transfer	\$648,500,000	--	--	\$2,012,132,362 plus up to \$160,000,000 transfer
FY 1998-FY 2008 Totals	\$4,314,400,000	\$1,412,235,851 plus up to \$160,000,000 transfer	\$1,200,105,714	\$5,000,000	\$26,968,827	\$6,957,710,392 plus up to \$160,000,000 transfer
Disbursements						
	Bond Money (Fund 032)	Cash (Fund 021)	Tobacco (Fund 087)	Lottery Profits (Fund 018)	Federal	Total
FY 1998-FY 2006	\$2,960,904,689	\$1,191,663,979	\$430,124,934	\$4,994,220	\$26,968,827	\$4,614,656,649
FY 2007 (11/27/06)	\$140,368,061	\$5,069,512	\$68,642,988	--	--	\$214,080,561

*Am. Sub. H.B. 530, the capital reappropriations act of the 126th G.A., was passed in March 2006 and Sub. S.B. 321, the tobacco budget act of the 126th G.A., was passed in May 2006.

The Classroom Facilities Assistance Program (CFAP). The CFAP, the main program operated by the SFC, addresses school districts' entire facilities needs. Of \$4.61 billion disbursed through the end of FY 2006, \$3.95 billion (85.5%) was disbursed through this program. Under the CFAP, school districts with the lowest wealth are served first and receive a greater share of state assistance than the higher wealth school districts will receive when it is their turn to be served. A school district's wealth level is measured by its three-year average adjusted valuation per pupil. Each district's percentile ranking based on this wealth measure largely determines the order in which the district is served and the state share of the basic project cost for the district. Through FY 2006, the CFAP has served 159 districts. An additional 26 districts were offered CFAP funding in August 2006. The total cost for these 26 projects is approximately \$1.05 billion, with a state share of approximately \$737.9 million (70.3%) and a local share of approximately \$312.1 million (29.7%). For FY 2008, the SFC may be serving districts with wealth rankings around the 40th or 41st percentiles.

Included within the 159 districts served by the CFAP are the six major urban districts (Akron, Cincinnati, Cleveland, Columbus, Dayton, and Toledo) that were accepted into the CFAP in FY 2003 under the Accelerated Urban Initiative.¹ Due to their size and complexity, these six district projects are divided into multiple phases. Currently, Cleveland and Toledo have entered phase three of their projects, while the other four districts have reached phase two.

The Exceptional Needs Program (ENP). The ENP is designed to assist school districts in addressing the health and safety needs associated with a specific building. School districts with a wealth ranking at the 75th percentile or below or with a territory larger than 300 square miles are eligible for participation in the program. Thirty-seven districts have been served by ENP through FY 2006 and received total state funding of \$392.5 million. The SFC is serving another two districts under this program in FY 2007. The total project cost for these two districts is \$38.8 million, with a state share of approximately \$11.4 million (29.4%) and a local share of approximately \$27.4 million (70.6%).

The Expedited Local Partnership Program (ELPP). The ELPP permits a school district not yet eligible for the CFAP to enter into an agreement with the SFC allowing the district to spend local resources to construct new classroom facilities or to make major renovations to the district's existing classroom facilities. The local resource amount spent by the district will then be applied to the district's share of the basic project cost when it becomes eligible for assistance under the CFAP. Through FY 2006, 88 school districts were approved to participate in this program and accumulated a combined credit of \$1.8 billion against state funds. Eight of the 88 districts became eligible and were served by the CFAP or ENP in FY 2006; these eight districts had a combined ELPP credit of \$98.3 million. In FY 2007, seven more ELPP districts will be eligible for participation in CFAP, with a combined credit of \$120.0 million.

The Vocational Facilities Assistance Program (VFAP). The VFAP was developed to assist the state's 49 joint vocational school districts and operates similarly to the CFAP. The program begins with the poorest joint vocational school district and ends with the wealthiest one. The state share is greater for a lower wealth joint vocational school district than that for a higher wealth one. The SFC has the authority to spend up to 2% of its annual appropriations for the VFAP projects. Four joint vocational school districts were served under the VFAP in FY 2006, receiving total state funding of \$5.1 million. Two more joint vocational school districts are being served in FY 2007 with a total project cost of \$32.1 million; the state share of these two projects

¹ The other two major urban districts, Canton and Youngstown, had already been served under the CFAP.

is approximately \$24.1 million (75.1%) and the local share is approximately \$8.0 million (24.9%).

The Vocational Facilities Assistance Expedited Local Partnership Program (VFAP ELPP). The VFAP ELPP allows joint vocational school districts to participate in a slightly modified version of the ELPP program under which they are able to use local resources for new construction or renovations prior to being eligible for the VFAP. Two districts were approved for funding under this program in FY 2006; they have accumulated a combined credit of \$7.7 million against state funds.