

# budget

# San José Unified School District

**Budget**

The current projected cost for the modernization work assessed within this Implementation Plan totals \$520 million. This total includes the direct cost of the work, 'soft' costs, program costs and contingencies. It is the intent of the District to maximize all revenue opportunities in order to achieve the maximum facilities improvements possible.

**Additional resources**

While the passage of Measure F will generate \$429 million in local bond dollars for modernization of the District's facilities, these funds are not adequate to accomplish all of the modernization work that is needed. Additional funding sources and means are being pursued to leverage the bond dollars and maximize the extent of upgrade at the schools, such as:

- i. State Modernization Funding Program
- ii. District Deferred Maintenance Program
- iii. District Procurement and Contracting
- iv. Other revenue sources

**I. State Modernization Funding**

The State of California sponsors a school modernization funding program for permanent buildings that are over 25 years of age and have not yet been significantly renovated. At this time several of the District's schools are eligible for this funding. The District has applied for these funds in the Priority One category that requires a local funding match. Measure C bond funds have been used previously and Measure F bond funds will be used as the District's matching funds. Once a State bond is passed, the District is eligible for and may receive up to \$4.6 million in State modernization funds.

**II. Deferred Maintenance Program Funding**

The District plans to coordinate its Deferred Maintenance Program with the modernization program. The State plans to enhance its deferred maintenance matching funding program that should result in dedication of more dollars to deferred maintenance work. State approved deferred maintenance categories of work include painting, floor coverings, roofing, electrical work and materials, classroom lighting, plumbing, HVAC, wall systems (door, hardware, window assemblies), paving, removal of underground storage tanks, and asbestos abatement.

**III. District Procurement and Management**

By purchasing long-lead items directly and in quantity, the District can achieve lower pricing for these items. Contractor mark-ups are minimized and suppliers are able to offer lower pricing due to expectations of large quantity orders. The District is also better able to assure standardization in these products. Typical items procured directly by the District include:

- i. Door hardware
- ii. Restroom accessories
- iii. In-classroom HVAC units
- iv. Electrical switchgear
- v. Fire alarm control panels
- vi. Clock/bell/paging control panels
- vii. Energy management devices and control panels
- viii. Playground equipment

Additionally, some of the modernization work may be managed directly by the District in a more cost-effective manner. Typical items which may be handled directly by the District include:

- i. Painting (interior and exterior)
- ii. Replacement of door hardware
- iii. Replacement of flooring
- iv. Fabrication and installation of signage
- v. Refurbishment of existing portable buildings
- vi. Installation of playground equipment
- vii. Correction of miscellaneous facility deficiencies discovered during construction

**IV. Other revenue sources**

The District is reviewing other sources of revenue to supplement the Measure 'F' bond amount. These other sources include:

- i. Investment interest earned on the Bond
- ii. Quality Zone Academy Bond (QZAB) Federal grant program
- iii. Grants and Partnerships (local, civic and business)
- iv. Use of remaining Measure 'C' dollars to 'capture' some of the assessed work scope