



In This Issue

- Segmenting Policy
- "Zero" Draws
- 2009 Drawdown Training & Payment Schedule
- Future Issues

Contact Us

Ohio School Facilities Commission
10 West Broad Street
Suite 1400
Columbus, OH 43215

Phone:
614-466-6290

Fax:
614-466-7749

E-mail:
program.info@osfc.state.oh.us

*Unless otherwise indicated,
please direct all inquiries to:
Lois Snyder
Deputy Chief of Finance
614-995-4552
lois.snyder@osfc.state.oh.us*

*Published and distributed
quarterly to school district
treasurers, construction
managers & OSFC
project administrators*

Segmenting Policy



At the September 25, 2008 Ohio School Facilities Commission meeting, the Commission approved the policy for segmenting projects. As you may know, segmenting was included in the Capital Bill (Am. Sub. HB 562) that was signed by the Governor on June 24, 2008.

Brief Overview

Under previous law, only the "Big 6" Urban districts were allowed to segment their Classroom Facilities Assistance Program (CFAP) projects. For all other districts, the only option was to accept a master plan for a "full fix" for all the facility needs of the district, and raise the local share of that entire project.

The new law allows a district offered funding under CFAP to choose a segment of the entire project to be done, and go forward with a project agreement once the local share of that segment has been obtained. The segment must be big enough so that the local share is at least equal to 4% of the district's valuation. (This translates into a bond millage of approximately 3 mills for a typical district.) The segment must also contain all the work to be done on any building included in the segment, so, for instance, a district cannot choose to do a partial renovation in the first segment and then finish the renovation later on. If a district chooses to do a segment, the district can then request funding for another segment at a later time. This later segment would be treated as a supplement to the initial project agreement. The local share percentage of any subsequent segment would be the same as that of the first segment.



The segmenting language does not change the order of funding offers by the OSFC (we will continue to offer funding in the order of the equity list), nor does it change the application of the design manual to CFAP projects.

If your project was previously offered funding and chose to defer the project, you may want to contact your OSFC planner to look into segmenting options.

“Zero” Draws Required

LFI	State Ints Earned	Local Ints Earned	State Draw	State Balance
0	0	0		4,084,424
0	0	0	0.00	3,384.424
0	0	0		2,534,424

What are “zero” draws? Generally, “zero” draws occur after all the State funding for your OSFC project has been sent to you, but you are still spending Local share dollars. Regardless of the construction phase, as long as the project is on going the drawdown is required. The drawdown is used for managing the cash flow of all project funds and expenditures (including construction manager payments and LFI), and for recording interest earned. Drawdowns should be approved until the end of the project.

2009 Drawdown Training & Payment Schedule

In conjunction with the new Drawdown payment schedule, OSFC will offer optional training for treasurers two weeks before the payment dates. We will send an email to “SDT” users in the system beforehand so you can register. All training is conducted over the phone and Internet using a webinar tool; details will be included in the email.

Quarter	Training Date	Drawdown Due Date	Payment Date
First	Week of 11/17/08 completed	12/2/08	12/26/08
Second	Week of 2/16/09	3/3/09	3/27/09
Third	Week of 5/4/09	5/19/09	6/16/09
Fourth	Week of 8/17/09	9/1/09	9/25/09

Please make sure you've approved your draw!

Future Issues

Please send suggestions for topics in future issues to Lois Snyder. Our goal is to assist school district treasurers in the accounting of an OSFC co-funded project.



School Facilities
Commission