MINUTES
State Allocation Board
June 25, 2014

Upon notice duly given, the monthly meeting of the State Allocation Board (SAB) was held at the California Department of Education located at 1430 N Street, Room 1101, in Sacramento, California on June 25, 2014 at 4:30 p.m.

Members of the SAB present were as follows:

- Eraina Ortega, Chief Deputy Director, Policy, Department of Finance, designated representative for Michael Cohen, Director, Department of Finance
- Esteban Almanza, Chief Deputy Director, Department of General Services, designated representative for Fred Klass, Director, Department of General Services
- Kathleen Moore, Director, School Facilities Planning Division, California Department of Education (CDE), designated representative for Tom Torlakson, Superintendent of Public Instruction
- Cesar Diaz, appointee of Edmund G. Brown, Jr., Governor of the State of California
- Senator Loni Hancock
- Senator Carol Liu
- Assembly Member Curt Hagman
- Assembly Member Adrin Nazarian

Members of the SAB absent were as follows:

- Senator Jean Fuller
- Assembly Member Joan Buchanan

Representatives of the SAB were as follows:

Lisa Silverman, Executive Officer
Bill Savidge, Assistant Executive Officer

Representatives of the Department of General Services, Office of Public School Construction (OPSC), were as follows:

Lisa Silverman, Executive Officer
Juan Mireles, Deputy Executive Officer

Representative of the Department of General Services, Office of Legal Services, was as follows:

Jonette Banzon, Attorney

Because of the lack of SAB members to obtain a quorum, Ms. Ortega, Chair, called the meeting to order at 4:43 p.m. as a sub-committee. At 4:52 p.m., there was a quorum.

PRIOR MINUTES

A motion was made, and carried, to approve the May 28, 2014 SAB Minutes.

EXECUTIVE OFFICER'S STATEMENT

The Executive Officer informed the Board of the following:

Charter School Facilities Program Filing Round Update

The filing round for the Charter School Facilities Program (CSFP) opened on April 1, 2014 and closed on May 30, 2014. All supporting documents including the *Application for Charter School Preliminary Apportionment*, Form SAB 50-09, were required to be submitted by 5:00 p.m. on May 30, 2014. As a result of the filing round, the OPSC received 66 applications requesting in excess of $600 million for charter school preliminary apportionments.

EXECUTIVE OFFICER'S STATEMENT (cont.)

Fund Releases for Priority Funding Apportionments

April 7, 2014 Apportionments
The SAB approved $372.2 million in priority funding apportionments for 103 projects and 44 school districts on April 7, 2014. It was stated that districts receiving a priority funding apportionment are required to submit a valid *Fund Release Authorization* (Form SAB 50-05) containing an original signature by Monday, July, 7, 2014. Should the Form SAB 50-05 not be physically received at the OPSC by 5:00 p.m. on Monday, July 7, 2014, the project will either return to the Unfunded List (Lack of AB 55 Loans) with a new approval date of July 7, 2014 or be rescinded without further Board action depending on whether or not one of these had already occurred.

The OPSC received 41 Form SAB 50-05s in the amount of $116,310,105 as of Friday, June 13, 2014. Two projects received automatic fund releases and did not require the submittal of the Form SAB 50-05. These projects represent a total of $1,385,262 in apportionments.

Priority Funding Filing Round

The current priority funding filing round began on May 14, 2014 and closed on June 12, 2014. Currently, there were 89 projects for 44 school districts on the Unfunded List (Lack of AB 55 Loans) totaling $225,662,382 that could have submitted a request for participation in this filing round. It was stated that the OPSC received requests for 36 projects from 22 school districts in the amount of $100,505,629. The requests will be valid from July 1, 2014 through December 31, 2014. The filing round also resulted in two projects from two school districts receiving a second occurrence for non-participation in the priority funding process. This means that bond authority in the amount of $1,529,047 returns to the program and is available for reallocation to projects on the Unfunded List (Lack of AB 55 Loans).

Requirements for Participation in Priority Funding

School districts were reminded that the requirements for Participation in the Priority Funding Process continue to remain in effect through Regulation Section 1859.90.3. There are two ways a school district does not participate in the priority funding process:

- By not submitting a valid priority funding request in the 30-day filing period, or
- Submitting a valid priority funding request but failing to submit a valid *Fund Release Authorization* (Form SAB 50-05) to request the release of State funds after the SAB has approved an apportionment.

The second time that either of these occurs, the funding for the project shall be rescinded without further action by the SAB.

Upcoming SAB Meetings

It was stated that the SAB will not meet in July 2014, but that the next meeting of the SAB was tentatively scheduled for August 27, 2014.

CONSENT ITEMS

A motion was made, and carried, to approve the Consent calendar as presented, including Tab #8 for the Implementation of Assembly Bill 308 Proposed Regulations.

FINANCIAL REPORTS

Status of Fund Releases

The Executive Officer presented this item and the SAB accepted the Status of Fund Releases report as presented.

FINANCIAL REPORTS (cont.)

Status of Funds

The Executive Officer presented this item and the SAB accepted the Status of Funds report as presented.

APPEAL ITEMS

Orange County Department of Education/Orange 50/10306-00-018

This Item was postponed to a future SAB meeting.

ACTION ITEMS

Implementation of Assembly Bill 308 Proposed Regulations

This item was approved with the Consent portion of the Agenda. The SAB approved the staff's recommendations.

REPORTS, DISCUSSION, AND INFORMATION ITEMS

Seismic Mitigation Program

The Executive Officer presented this item to the SAB. Since the SAB lacked a quorum, it was informally requested that staff identify ways for the SAB to streamline the Seismic Mitigation Program that would increase participation. In addition, it was also suggested that consideration be given to schedule an Implementation Committee meeting. The goal would be to obtain feedback from stakeholders as to why after the early Steps 1 and 2 of the seismic evaluation process have been completed, seismic projects are falling off and failing to move forward to Step 3 (plan approval).

The SAB acknowledged the following reports:

State Allocation Board Three-Month Projected Workload

State Allocation Board Meeting Dates for the 2014 Calendar Year

School Facility Program Applications Received Beyond Bond Authority List as of May 31, 2014

School Facility Program Unfunded List as of May 28, 2014

School Facility Program Workload List of Applications Received Through May 31, 2014

Emergency Repair Program Unfunded List as of May 28, 2014

Facility Hardship/Rehabilitation Approvals Without Funding as of May 28, 2014

ADJOURNMENT

There being no further business to come before the SAB, the Chair adjourned the meeting at 5:40 p.m.

LISA SILVERMAN, Executive Officer

ATTACHMENT A
Approved Consent Items on 06/25/2014

Program	Application Number	District	County
Continued Use	91/65755-00-000	LOS BANOS UNIFIED	MERCED
SFP - Career Tech	59/71043-00-003	CERES UNIFIED	STANISLAUS
SFP - Career Tech	55/61200-00-001	LIVERMORE VALLEY JOINT UNIFIED	ALAMEDA
SFP - Career Tech	59/66928-00-001	ROSEVILLE JOINT UNION HIGH	PLACER
SFP - Modernization	58/64352-00-002	CENTINELA VALLEY UNION HIGH	LOS ANGELES
SFP - Modernization	58/64352-00-003	CENTINELA VALLEY UNION HIGH	LOS ANGELES
SFP - Modernization	58/72603-00-004	SIMI VALLEY UNIFIED	VENTURA
SFP - Modernization	58/72603-00-002	SIMI VALLEY UNIFIED	VENTURA
SFP - Modernization	58/72603-00-003	SIMI VALLEY UNIFIED	VENTURA
SFP - New Construction	50/68049-00-000	DEHESA	SAN DIEGO
SFP - New Construction	51/76786-00-001	SANTA BARBARA UNIFIED	SANTA BARBARA
SFP - New Construction	50/72157-00-003	STRATHMORE UNION ELEMENTARY	TULARE
SFP - New Construction	50/73460-00-000	WALNUT VALLEY UNIFIED	LOS ANGELES