MINUTES
State Allocation Board
June 28, 2017

Upon notice duly given, the meeting of the State Allocation Board (SAB) was held at the State Capitol, Room 127, in Sacramento, California on June 28, 2017 at 4:00 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
- Daniel Kim, Director, Department of General Services
- Juan Mireles, Director, School Facilities and Transportation Services 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 Benjamin Allen
- Senator Janet Nguyen
- Senator Richard Pan
- Assembly Member Adrin Nazarian
- Assembly Member Rocky Chavez
- Assembly Member Patrick O'Donnell

Representative of the SAB was as follows:

Lisa Silverman, Executive Officer

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

Lisa Silverman, Executive Officer
Barbara Kampmeinert, Deputy Executive Officer

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

Jonette Banzon, Attorney

With a quorum present, Ms. Ortega, Chair, called the meeting to order at 4:08 p.m.

PRIOR MINUTES

A motion was made, and carried, to approve the June 5, 2017 SAB Minutes.

EXECUTIVE OFFICER'S STATEMENT

The Executive Officer informed the SAB of the following:

Charter Round Closed on June 5, 2017

With the passage of Proposition 51, $500 million was made available for the Charter School Facilities Program (CSFP), which initiated a new filing round for CSFP applications based on the CSFP regulations. The round closed Monday, June 5, 2017. OPSC received 187 applications for preliminary apportionments with an estimated total request of $2.5 billion. Staff is currently processing the applications and will provide an update in the future.

Recent Priority Funding Filing Round Closed

The priority funding filing period closed June 8, 2017. OPSC received 136 requests for 139 unique projects from 73 school districts for a total of $443.6 million. These requests will be valid from July 1, 2017 through December 31, 2017. School districts were reminded that the requirements for participation in the Priority Funding Process are in effect under School Facility Program (SFP) Regulation Section 1859.90.3.

EXECUTIVE OFFICER'S STATEMENT (cont.)

Priority Funding Apportionments

April Apportionments
The SAB approved $63 million in priority funding apportionments, on April 24, 2017, for 17 projects representing 13 school districts. As of June 19, 2017, there were nine projects for which the *Fund Release Authorization,* Form SAB 50-05, had not been submitted.

Historical Building Regulations

The SAB approved regulatory amendments for funding historical school buildings at its October 2016 meeting. The regulations have been approved by the Office of Administrative Law with an effective date of June 19, 2017. The SFP Regulations have been updated and the Forms SAB 50-04 and 50-05 have also been updated and posted to the website with a revision date of 08/16.

Seismic Mitigation Program Instructional Videos

The new instructional videos on the Seismic Mitigation Program are now posted on the OPSC website. The videos include instructions on how to apply to the program, an overview of the Division of the State Architect process, where to find available resources, requirements for a complete application, and details for completing cost estimates.

Next SAB Meeting

The SAB and stakeholders were informed that the next SAB meeting was scheduled for Wednesday, August 23, 2017.

CONSENT ITEMS

A motion was made, and carried, to approve the Consent calendar as presented.

FINANCIAL REPORTS

Status of Fund Releases

There was no discussion on the Status of Fund Releases report.

Status of Funds

There was no discussion on the Status of Funds report.

ACTION ITEMS

Regulatory Amendments for Increased Program Accountability

The SAB made a motion to 1) adopt the amended Grant Agreement template; and 2) authorize the Executive Officer to file the Grant Agreement template on an emergency basis with the Office of Administrative Law (OAL).

ACTION ITEMS (cont).

Regulatory Amendments for Increased Program Accountability (cont.)

The Chair called for a roll-call vote and the motion carried per the following votes:

MEMBER	AYE	NAY	ABSTAIN	ABSENT
Senator Allen	X			
Senator Nguyen	X			
Senator Pan	X			
Assembly Member Nazarian	X			
Assembly Member Chavez	X			
Assembly Member O'Donnell	X			
Juan Mireles	X			
Cesar Diaz (Governor's Appointee)	X			
Daniel Kim	X			
Eraina Ortega	X			
Total	10			

Motion:

Carried _X__
Failed ____

Regulatory Amendments for the Financial Hardship Program

A motion was made, and carried, to approve the proposed regulations as shown on Attachment C and to authorize the Executive Officer to file the proposed regulations as emergency regulations with the OAL.

REPORTS, DISCUSSION, AND INFORMATION ITEMS

School Facility Program Application Processing

This item was an informational item. However, the SAB directed staff to prepare an action item with proposed regulations for the next meeting that would address processing new construction funding applications within the three-year lock for small school districts. It was stated that small school districts have maintained this protection since 2000.

The SAB acknowledged the following reports:

State Allocation Board Three-Month Projected Workload

State Allocation Board Meeting Dates for the 2017 Calendar Year

School Facility Program Unfunded List as of June 5, 2017

School Facility Program Workload List of Applications Received Through June 5, 2017

Facility Hardship/Rehabilitation Approvals Without Funding as of June 5, 2017

ADJOURNMENT

There being no further business to come before the SAB, the Chair adjourned the meeting at 4:25 p.m.

LISA SILVERMAN, Executive Officer