MINUTES
State Allocation Board
September 26, 2018

Upon notice duly given, the meeting of the State Allocation Board (SAB) was held at the State Capitol, Room 447, in Sacramento, California on September 26, 2018 at 2:00 p.m.

Members of the SAB present were as follows:

- Jacqueline Wong-Hernandez, Chief Deputy Director, Policy, Department of Finance, designated representative for Keeley Bosler, Director, Department of Finance
- Jeffrey McGuire, Chief Deputy Director, Department of General Services, designated representative for 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 Janet Nguyen
- Senator Richard Pan
- Assembly Member Adrin Nazarian
- Assembly Member Rocky Chavez
- Assembly Member Patrick O'Donnell

Member of the SAB absent was as follows:

- Senator Benjamin Allen

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:

Thomas Patton, Assistant Chief Counsel

With a quorum present, Ms. Wong-Hernandez, Chair, called the meeting to order at 2:02 p.m.

PRIOR MINUTES

A motion was made to approve the August 15, 2018 SAB Minutes. 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			
Jeffrey McGuire	X			
Jacqueline Wong-Hernandez	X			
Total	9			1

Motion:
Carried _X_
Failed ____

EXECUTIVE OFFICER'S STATEMENT

The Executive Officer informed the SAB of the following:

Upcoming Bond Sale

There will be a General Obligation Bond sale on October 17, 2018, and it is anticipated that the School Facility Program (SFP) will receive bond proceeds from the sale. Staff will prepare Priority Funding Apportionments, commensurate with the funds received, for presentation to a future SAB meeting.

Applications Received Beyond Bond Authority

As of September 12, 2018, OPSC received requests for new construction projects that exceeded the available bond authority, and any applications received on or after this date will be placed on the Applications Received Beyond Bond Authority List. SFP Regulation Section 1859.95.1 requires that all new construction applications placed on this list must contain a school board resolution specifying certain acknowledgements.

Career Technical Education Facilities Program

CDE is currently accepting applications for the fifth funding cycle of the Career Technical Education Facilities Program (CTEFP). School districts are reminded that applications are due to CDE on October 19, 2018 and applicants will be mailed a score letter by January 24, 2019. CTEFP applications are due to OPSC by close of business on February 15, 2019.

Full-Day Kindergarten Facilities Grant Program

OPSC conducted two stakeholder meetings to in order to prepare for program implementation. Staff outlined the analysis of the establishing statute and received stakeholder feedback to ensure the Full-Day Kindergarten Facilities Grant Program provides funding as intended by the statute. The third and final stakeholder meeting was scheduled for October 4, 2018 in Sacramento.

K-12 Local Educational Agency Audits Workshops

OPSC and the Education Audit Appeals Panel will conduct free workshops to provide information to Local Education Agencies and Certified Public Accounting firms regarding the K12 Audit Guide (Appendix B) for new performance audit procedures for the SFP that became effective July 1, 2018. Although the workshops are free, seating is limited and those interested in attending are advised to register in advance through OPSC's website for the following dates:

- October 17, 2018 – Santa Clara County Office of Education
- October 25, 2018 – Fresno County Office of Education
- January 7, 2019 – Los Angeles County Office of Education
- January 16, 2019 – West Sacramento, CA
- January 29, 2019 – San Diego County Office of Education (East County)

Multipurpose Room/Gymnasium Hybrid Use of Grants Requests

The Office of Administrative Law approved the regulatory amendments for Use of Grants requests to fund construction projects consisting of Multipurpose Room/Gym Hybrid facilities. The regulations will become effective January 1, 2019.

Next SAB Meeting

The SAB and stakeholders were reminded that the next SAB meeting is scheduled for Wednesday, October 24, 2018 at 2:00 p.m.

CONSENT ITEMS

A motion was made to approve the Consent calendar as presented. 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			
Jeffrey McGuire	X			
Jacqueline Wong-Hernandez	X			
Total	9			1

Motion:

Carried _X_ _
Failed ____

FINANCIAL REPORTS

Status of Fund Releases

The SAB accepted the Status of Fund Releases report as presented.

Status of Funds

The SAB accepted the Status of Funds report as presented.

APPEAL ITEMS

Lake Elementary/Glenn 50/62596-00-001

The SAB approved the District's request, which was to change the scope of its previously approved project at Lake Elementary School. 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			
Jeffrey McGuire	X			
Jacqueline Wong-Hernandez	X			
Total	9			1

Motion:

Carried _X__
Failed ____

The SAB's approval included the following additional requirements:

- The District must adopt a new school board resolution that complies with the requirements for a Use of Grants, pursuant to SFP Regulation 1859.77.3 and submit it to OPSC.

APPEAL ITEMS (cont.)

Lake Elementary/Glenn 50/62596-00-001 (cont.)

- CDE and DSA must approve the project's scope change plans and specifications and the District must submit updated CDE and DSA plan approval letters to OPC prior to Apportionment. Currently, the District has requested to participate in the Priority Funding process. If the updated approvals are not received in time for a Fall bond sale Apportionment, the District will receive one non-participation occurrence. The District must participate in the next Priority Funding request period that commences November 4, 2018 AND receive updated CDE and DSA plan approvals prior to Apportionment or it will receive a second non-participation occurrence.

- The project must still meet the 60 percent commensurate requirement.

These requirements ensure compliance with statute and SFP Regulations and are consistent with previous Board actions for change of scope requests. An amended item will be presented to a future Board for approval of adjustments to additional grants as a result of an approved scope change, if necessary.

REPORTS, DISCUSSION, AND INFORMATION ITEMS

The SAB acknowledged the following reports:

State Allocation Board Three-Month Projected Workload

State Allocation Board Meeting Dates for the Remaining 2018 Calendar Year

School Facility Program Unfunded List as of August 15, 2018

School Facility Program Workload List of Applications Received Through August 31, 2018

Facility Hardship/Rehabilitation Approvals Without Funding as of August 15, 2018

CLOSED SESSION

At 2:04 p.m. and in accordance with Section 11126(e)(2)(B)(i) of the Government Code, the SAB convened into closed session for the purpose of conferring with and receiving advice from its legal counsel that, based on existing facts and circumstances, there is a significant exposure to litigation against the state body.

Upon conclusion of the closed session, the SAB reconvened into open session at 3:22 p.m., and announced that a non-confidential version of the materials discussed in closed session [CCI adjustment to grant funding levels] would be made available on OPSC's website beneath the link to the September 26, 2018 SAB Agenda.

ADJOURNMENT

There being no further business to come before the SAB, the Chair adjourned the meeting at 3:28 p.m.

LISA SILVERMAN, Executive Officer

ATTACHMENT A
Approved Consent Items on 9/26/2018

Program	Application Number	District	County
SFP - Career Tech	59/66431-05-001	ANAHEIM UNION HIGH	ORANGE
SFP - Career Tech	59/66993-00-001	BEAUMONT UNIFIED	RIVERSIDE
SFP - Career Tech	59/62166-00-001	FRESNO UNIFIED	FRESNO
SFP - Career Tech	55/73650-00-003	IRVINE UNIFIED	ORANGE
SFP - Career Tech	59/71449-00-001	SUTTER UNION HIGH	SUTTER
SFP - Modernization	57/61408-00-000	BIGGS UNIFIED	BUTTE
SFP - Modernization	57/75531-00-007	DINUBA UNIFIED	TULARE
SFP - Modernization	57/68585-00-011	LODI UNIFIED	SAN JOAQUIN
SFP - Modernization	58/71571-00-002	LOS MOLINOS UNIFIED	TEHAMA
SFP - Modernization	57/75127-00-006	MENDOTA UNIFIED	FRESNO
SFP - Modernization	57/75127-00-005	MENDOTA UNIFIED	FRESNO
SFP - Modernization	57/67124-00-000	MORENO VALLEY UNIFIED	RIVERSIDE
SFP - Modernization	57/66597-00-000	NEWPORT-MESA UNIFIED	ORANGE
SFP - Modernization	57/75523-00-013	PORTERVILLE UNIFIED	TULARE
SFP - Modernization	57/64931-00-000	ROSEMEAD ELEMENTARY	LOS ANGELES
SFP - Modernization	57/67439-00-000	SACRAMENTO CITY UNIFIED	SACRAMENTO
SFP - Modernization	57/68478-00-000	SAN FRANCISCO UNIFIED	SAN FRANCISCO
SFP - Modernization	57/68478-00-046	SAN FRANCISCO UNIFIED	SAN FRANCISCO
SFP - Modernization	57/68478-00-045	SAN FRANCISCO UNIFIED	SAN FRANCISCO
SFP - Modernization	57/76786-00-000	SANTA BARBARA UNIFIED	SANTA BARBARA
SFP - Modernization	58/63024-00-006	SCOTIA UNION ELEMENTARY	HUMBOLDT
SFP - Modernization	57/72603-00-000	SIMI VALLEY UNIFIED	VENTURA
SFP - Modernization	57/10488-00-000	SOLANO COUNTY OFFICE OF EDUCATION	SOLANO
SFP - Modernization	57/10488-00-022	SOLANO COUNTY OFFICE OF EDUCATION	SOLANO
SFP - New Construction	50/71803-00-000	ALPAUGH UNIFIED	TULARE
SFP - New Construction	50/61424-00-000	CHICO UNIFIED	BUTTE
SFP - New Construction	50/10074-98-005	CONTRA COSTA COUNTY OFFICE OF EDUCATION	CONTRA COSTA
SFP - New Construction	50/67033-00-036	CORONA-NORCO UNIFIED	RIVERSIDE
SFP - New Construction	50/73809-00-000	FIREBAUGH-LAS DELTAS UNIFIED	FRESNO
SFP - New Construction	50/62265-00-000	KINGS CANYON JOINT UNIFIED	FRESNO
SFP - New Construction	50/62265-00-008	KINGS CANYON JOINT UNIFIED	FRESNO
SFP - New Construction	50/62265-00-009	KINGS CANYON JOINT UNIFIED	FRESNO
SFP - New Construction	51/64733-00-002	LOS ANGELES UNIFIED	LOS ANGELES
SFP - New Construction	50/64733-00-117	LOS ANGELES UNIFIED	LOS ANGELES
SFP - New Construction	50/68296-00-021	POWAY UNIFIED	SAN DIEGO
SFP - New Construction	50/10504-00-015	STANISLAUS COUNTY OFFICE OF EDUCATION	STANISLAUS
SFP - New Construction	50/72769-00-000	WHEATLAND UNION HIGH	YUBA