

PROCEDURES FOR SCHOOL FACILITY PROGRAM FUNDING

Revised November 12, 2013

School Facility Program regulations established two priority funding request filing periods per year for projects on the Unfunded List (Lack of AB 55 Loans) to receive apportionments. Each period has a 30-day request submittal window. The current request filing window lasts from November 13, 2013 to December 12, 2013.

Requests must be physically received by the Office of Public School Construction (OPSC) on or before the close of the filing window.

Requests received between November 13, 2013 and December 12, 2013 are valid from January 1, 2014 through June 30, 2014. As bond sales take place or cash becomes available, districts that have submitted a request for the appropriate six-month period will be eligible for priority funding apportionments.

On March 25, 2013, the Office of Administrative Law approved the Non-Participation in Priority Funding regulations on an emergency basis. There are two ways for a school district to choose not to participate in the priority funding process. 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 funds within 90 days after the State Allocation Board (SAB) approves an Apportionment will be considered one occurrence as specified in School Facility Program (SFP) Regulation Section 1859.90.3.

The following outlines the procedures and requirements for districts to take advantage of the priority funding process:

PRIORITY FUNDING REQUESTS

1. Districts opting to participate in the priority funding process must submit a request to convert an unfunded approval to an Apportionment. All requests must be submitted to the following address:

Office of Public School Construction
Subject: Priority Funding Round
707 Third Street
West Sacramento, California 95605

It is recommended that districts monitor any mailed requests by tracking the parcel and receiving delivery confirmation.

2. The request to convert an unfunded approval to an Apportionment, signed by an authorized District Representative, must include each of the project application numbers and must state the following:
 - The district understands that the time limit on fund release shall be no more than 90

days from the date of Apportionment.

- The district acknowledges that failure to submit a completed Form SAB 50-05 within the 90-day period will result in the project being rescinded without further action by the SAB. A rescinded application will revert back to an unfunded approval at the bottom of the unfunded list and cannot be guaranteed bonding authority. The application will receive a new unfunded approval date equivalent to the due date of the Form SAB 50-05. In the case that multiple rescissions are made by the SAB, each separate application will be placed at the bottom of the unfunded approvals list in the order of the original unfunded approval date. The district will not be required to resubmit the application and no further application review will be required.

(Example: Two applications are rescinded with unfunded approval dates of January 27, 2010 and February 24, 2010. The application that received an unfunded approval on January 27 would be placed on the unfunded list first, followed by the application that received an unfunded approval on February 24).

- The district acknowledges that by participating in the priority funding round, the district is waiving its right to a standard 18-month timeline for fund release submittal.
3. Districts may request an apportionment for Design Only applications under the priority funding process. Design Only applications receiving an apportionment will receive an automatic fund release without submitting a Form SAB 50-05; however, Design Only applications must still submit a request to convert an unfunded approval to an Apportionment which contains all of the statements outlined in Section 2.
 4. Financial Hardship districts with projects on the unfunded approvals list that wish to participate in the priority funding filing period must undergo a review of their financial records to determine if they have any additional funds available to contribute to their project(s) prior to receiving an actual Apportionment. For projects added to an unfunded list between February 25, 2009 and June 30, 2011, only the district's revenue received on or after July 1, 2011 will be considered in the calculations of available funds. Projects added to an unfunded list after July 1, 2011 will be subject to a review of additional funds available.
 5. Any requests to participate in the priority funding process not converted to Apportionments shall retain their date order position on the unfunded approvals list. Request letters of projects not converted to apportionments will not be returned to the district or kept by the OPSC.
 6. The OPSC cannot accept request letters during a priority funding request period for any projects placed on the Unfunded List (Lack of Bond Authority).

The priority funding process was created to allow projects that received an Unfunded Approval (Lack of AB 55 Loans) to receive an Apportionment with accelerated

timelines. SFP Regulation Section 1859.90.2 requires a school district to submit a written statement that requests to convert the unfunded approval to an Apportionment. Projects on the Unfunded List (Lack of Bond Authority) cannot make this request. Any priority funding requests received for projects on the Unfunded List (Lack of Bond Authority) will be returned to the district.

FUTURE PRIORITY FUNDING LIST TERMS

7. Requests to participate in the priority funding process between May 14, 2014 and June 12, 2014 are valid from July 1, 2014 to December 31, 2014.
8. Requests to participate in the priority funding process between November 12, 2014 and December 11, 2014 are valid from January 1, 2015 to June 30, 2015.

FUND RELEASE AUTHORIZATIONS

9. From the date that the SAB converts its unfunded approval to an Apportionment, the district will have 90 days to submit a completed Form SAB 50-05 that meets all of the existing requirements. The Form SAB 50-05 submittal must contain an original signature from a designated District Representative and must be physically received by the OPSC at:

Office of Public School Construction
707 Third Street
West Sacramento, California 95605

The Form SAB 50-05 must be delivered to OPSC prior to the close of business on the 90th day. Projects that fail to meet this deadline shall be rescinded with no further action by the SAB. A rescinded application will revert back to an unfunded approval at the bottom of the unfunded approvals list and cannot be guaranteed bonding authority. The new unfunded approval date will be equivalent to the due date of the Form SAB 50-05.