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CALIFORNIA STATE ALLOCATION BOARD
PUBLIC MEETING

CALIFORNIA DEPARTMENT OF EDUCATION
1430 N STREET, ROOM 1101
SACRAMENTO, CALIFORNIA 95814

DATE: WEDNESDAY, JULY 25, 2012
TIME: 3:04 P.M.

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APPEARANCES

MEMBERS OF THE BOARD PRESENT:

PEDRO REYES, Chief Deputy Director, Policy, designated representative for Ana Matosantos, Director, Department of Finance

ESTEBAN ALMANZA, Chief Deputy Director, Department of General Services, designated representative for Fred Klass, Director, Department of General Services

CESAR DIAZ, Appointee of Edmund G. Brown, Jr., Governor of the State of California

KATHLEEN MOORE, Director, School Facilities Planning Division, California Department of Education, designated representative for Tom Torlakson, Superintendent of Public Instruction.

ASSEMBLY MEMBER FELIPE FUENTES

ASSEMBLY MEMBER JOAN BUCHANAN

REPRESENTATIVES OF THE STATE ALLOCATION BOARD PRESENT:

LISA SILVERMAN, Executive Officer
BILL SAVIDGE, Assistant Executive Officer

REPRESENTATIVES OF THE DEPARTMENT OF GENERAL SERVICES, OFFICE OF PUBLIC SCHOOL CONSTRUCTION (OPSC) PRESENT:

LISA SILVERMAN, Executive Officer
JUAN MIRELES, Deputy Executive Officer

REPRESENTATIVE OF THE DEPARTMENT OF GENERAL SERVICES, OFFICE OF LEGAL SERVICES PRESENT:

JONETTE BANZON, Staff Counsel

P R O C E E D I N G S

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CHAIRPERSON REYES: First I'd like to welcome Mr. Fuentes. He's filling in for Assembly Member Brownley. So thank you, sir. Without you, we would have actually canceled the meeting. Notwithstanding the fact that over half the stuff got pulled, you know, it's still good to have you. Much appreciated.

Also like to point out that this is our first all electronic meeting for the Board members and so thank you very much.

With that, let's set a quorum. Thank you.

MS. JONES: Oh, well, my button's not working. Okay. So let's start off with Senator Lowenthal.

Senator Hancock.

Senator Wyland.

Assembly Member Fuentes.

ASSEMBLY MEMBER FUENTES: Present.

MS. JONES: Assembly Member Buchanan.

ASSEMBLY MEMBER BUCHANAN: Here.

MS. JONES: Assembly Member Hagman.

Esteban Almanza.

MR. ALMANZA: Here.

MS. JONES: Kathleen Moore.

MS. MOORE: Yes.

1 MS. JONES: Cesar Diaz.

2 MR. DIAZ: Here.

3 MS. JONES: Pedro Reyes.

4 CHAIRPERSON REYES: Present.

5 MS. JONES: We have a quorum.

6 CHAIRPERSON REYES: Thank you.

7 MS. JONES: You're welcome.

8 CHAIRPERSON REYES: Next item is Tab 2, **Minutes**.

9 MS. SILVERMAN: Minutes, we may not have enough
10 members from the last meeting to approve the Minutes.

11 CHAIRPERSON REYES: Mr. Fuentes and I discussed
12 the Minutes earlier and we were wondering if he was
13 comfortable voting for them.

14 ASSEMBLY MEMBER FUENTES: I read over a big chunk
15 of them, so I feel comfortable approving those.

16 CHAIRPERSON REYES: Thank you.

17 MS. SILVERMAN: Okay.

18 ASSEMBLY MEMBER FUENTES: So I'll move the
19 Minutes.

20 CHAIRPERSON REYES: They have been moved.

21 MS. MOORE: Second.

22 CHAIRPERSON REYES: Second. Great. Without
23 objection, we'll call a unanimous vote on the Minutes.
24 Thank you.

25 Tab 3, **Officer's Report**.

1 MS. SILVERMAN: Yes. We have five items to
2 present tonight and one of the items is to give the Board an
3 update about our September Board meeting. We actually are
4 going to move that meeting up by one week to September 19th.

5 We want to give folks an advanced announcement of
6 that.

7 We also wanted to advise the Board that we've been
8 having some challenges scheduling a separate program review
9 meeting, and so the goal is to obviously tuck that item into
10 the September 19th agenda.

11 The second item I wanted to share is the
12 Overcrowded Relief Grant Program, we are wrapping up our
13 tenth funding cycle and that funding cycle ends July 31st.
14 So we're encouraging those folks who do qualify for the
15 program to submit those funding applications by 5:00 p.m.
16 And again they must be physically received in our office by
17 that date.

18 We will be bringing back an item in August to talk
19 about future funding rounds for the Overcrowded Relief
20 Program.

21 The next item we wanted to share is we dispensed a
22 lot of funds last month with respect to our priority in
23 funding apportionments. Over \$637 million in projects were
24 approved and that relates to, you know, 198 projects.

25 And we just want to give folks a reminder that in

1 order to access the funds you must have all your documents
2 in order within the 90-day process and we encourage those
3 folks to do that by September 25th.

4 And just an update as to how much funds we've
5 released over the last few weeks, we've released over
6 \$150 million. So the 90-day process does work.

7 We also wanted to share the priority of funding
8 certification round period began July 11th and it ends
9 August 9th and all those who previously submitted for the
10 priority of funding round, those certifications had expired
11 on July 10th.

12 So those folks who are interested and are on the
13 unfunded list and, also part of the agenda today, those
14 folks who get an approval could qualify for the priority of
15 funding round certification. So we encourage those folks
16 who can do so and execute that in the 90-day period do so by
17 August 9th.

18 And then the last item is just to give the Board
19 an update about upcoming events.

20 Our Audit Work Group meeting is Tuesday,
21 August 14th and looking forward to having some productive
22 dialogue about moving items forward to the Audit
23 Subcommittee.

24 And we have a Rules and Procedures Subcommittee
25 meeting August 15th and again the program review will be

1 tucked away into the normal Board agenda on September 19th.

2 And that's all I have tonight.

3 CHAIRPERSON REYES: Thank you. Any comments from
4 the public? Any questions from Board members?

5 Okay. Moving onto **Consent Agenda**. May I suggest
6 that we add the Compton Unified appeal and the Selma Unified
7 appeal to the Consent as well as the Tab 10, Overcrowded
8 Relief Grant funding, an action item, to the Consent.

9 Without objection, may I --

10 ASSEMBLY MEMBER FUENTES: So moved.

11 CHAIRPERSON REYES: All right.

12 ASSEMBLY MEMBER BUCHANAN: Second.

13 CHAIRPERSON REYES: So the Consent items have been
14 moved and seconded. Without objection, we'll take a
15 unanimous roll call. Thank you.

16 MS. SILVERMAN: **Financials**.

17 CHAIRPERSON REYES: Please.

18 MS. SILVERMAN: So if we can direct your attention
19 to **Status of Fund Releases**. Page 74 is basically a summary
20 of the cash we disbursed during a 30-day window ending
21 June 30th, although I did report to you just a few minutes
22 ago about that we disbursed 150 million. That was over the
23 last few weeks. But reported for the last 30 days ending
24 June 30th, we did dispense 22 million.

25 So again the goal is -- you're going to be seeing

1 more spikes with money going out to school districts that
2 actually qualified for the apportionments and they're
3 executing their certifications. So that's great.

4 As far as sharing on page 77, we do have a graph
5 that we share with the Board members as far as those
6 projects that have received an apportionment.

7 We have 164 projects that haven't come in yet and
8 again we monitor that. Those projects are coming due in
9 again the end of September. So the goal is to be
10 transparent about how much we're executing and putting out
11 on the street.

12 So again that -- we'll be providing more updates
13 in the future.

14 CHAIRPERSON REYES: Okay.

15 MS. SILVERMAN: And as far -- on page 78, the last
16 item to share is we had 28 projects listed in June and all
17 seven of them executed -- the \$28 million, so we didn't have
18 any projects that expired. So again that's great --

19 CHAIRPERSON REYES: Good.

20 MS. SILVERMAN: The next item is **Status of Funds**
21 which is your financial reports.

22 CHAIRPERSON REYES: Before you go there, any
23 comments on that item? Questions? Thank you. Moving on.

24 MS. SILVERMAN: Moving on. We wanted to highlight
25 to the Board is we did process a significant amount in

1 projects this month that represents over 132 million.

2 Specifically in the Modernization Program, we
3 actually approved over 36 projects in that category and that
4 represents over \$68 million. And likewise we also dispensed
5 of other projects: High performance, 3.6 million and that's
6 eight projects and six Overcrowded Relief Grant projects for
7 34 million.

8 So again a good draw in Proposition 1D of
9 \$106 million.

10 We do show some activity in unfunded approvals.
11 In your middle category, which is Proposition 55, that's
12 \$26 million approved. That represents four projects.

13 So in total for the School Facility Program, we
14 had apportioned again -- provided unfunded approvals --
15 excuse me -- of \$132 million. That represents five
16 projects.

17 And on page 80, what I wanted to highlight is
18 we -- actually in the lower category, there's Emergency
19 Repair Program. We did provide five unfunded approvals in
20 the Emergency Repair Program and that represents \$700,000.

21 So with that, I'll open it up to any questions.

22 CHAIRPERSON REYES: Any comments from the public?
23 Any questions from Board members? Okay. Hearing none, we
24 move on.

25 And Tab 7, we disposed of. Tab 8, we've done. 9

1 has been pulled. Tab 10 was the Consent. So we're up at
2 Tab 15 with the **three-month workload**.

3 MS. SILVERMAN: Yes. If we have any questions
4 related to the 90-day workload.

5 CHAIRPERSON REYES: Seeing none and -- we'll now
6 move onto the **Information** items on Tab 16.

7 MS. SILVERMAN: And we're done.

8 CHAIRPERSON REYES: We done? Any questions or
9 comments from folks?

10 Okay. And thank you for your patience and I know
11 we changed some stuff around. We will have more items next
12 month because half the agenda for today has been moved to
13 August. So stay tuned. Thank you, everybody.

14 (Whereupon, at 3:10 p.m. the proceedings were recessed.)

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REPORTER'S CERTIFICATE

1
2
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4 COUNTY OF SACRAMENTO)

5
6 I, Mary C. Clark, a Certified Electronic Court
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11 Allocation Board, Public Meeting, were duly reported and
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13 That the foregoing transcript is a true record of
14 the proceedings as recorded;

15 That I am a disinterested person to said action.

16 IN WITNESS WHEREOF, I have subscribed my name on
17 July 31, 2012.

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