

STATE ALLOCATION BOARD AGENDA

Meeting Date: December 12, 2012

State Capitol, Room 447
2:00 p.m.

Revision Date: 12/7/2012

Executive Officer Statement – Insert p. 9

Thank you,

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EXECUTIVE OFFICER STATEMENT
State Allocation Board Meeting, December 12, 2012

PRIORITY FUNDING APPORTIONMENTS

As part of today's agenda (Tab 7), Staff is presenting projects for priority funding apportionments. The apportionments presented total \$383.8 million and represent 196 projects. These apportionments result in 92.9% of the certifications submitted receiving funding.

CAREER TECHNICAL EDUCATION FACILITIES PROGRAM (CTEFP) UNFUNDED APPROVALS

In today's Consent agenda, Staff is presenting six CTEFP projects for \$5.2 million in unfunded approvals. These projects were submitted during the third CTEFP application round. Bond authority for these projects became available from CTEFP project rescissions. Once approved, these six projects will be placed on the Unfunded List (Lack of AB 55 Loans) and the districts can participate in the priority funding process.

FUND RELEASES FOR OCTOBER PRIORITY FUNDING APPORTIONMENTS

On October 24, 2012, the Board approved \$7.4 million in priority funding apportionments for seven Facility Hardship projects. As of December 6, 2012, the Office of Public School Construction (OPSC) has received fund release requests for six projects totaling \$7.1 million. These projects have 90 days from the date of the apportionment to access the cash. A complete *Fund Release Authorization* (Form SAB 50-05) containing an original signature must be physically received by the OPSC by **Tuesday, January 22, 2013**.

ADDITIONAL CHARTER SCHOOL FACILITIES PROGRAM FUND RELEASE REQUESTS

In June 2012, the Board extended the deadline to submit a valid *Fund Release Authorization* (Form SAB 50-05) for advance site and design fund releases for Charter School Facilities Program (CSFP) projects to December 27, 2012. The Board also allowed construction-ready CSFP projects to request this cash. On October 24, 2012, Staff informed the Board that the entire \$94.2 million cash set-aside had been requested.

The Board directed Staff to provide updates regarding additional requests. To date, Staff has received additional requests for two construction projects totaling \$39.4 million. These applications will be eligible to participate in the priority funding process once the unfunded approvals are presented to and approved by the Board.

PRIORITY FUNDING PROCESS REGULATORY AMENDMENTS IN EFFECT

On December 6, 2012, amendments to the SFP regulations to improve the efficiency of the priority funding process went into effect. The amendments adjust the priority funding certification filing periods and extend the length of time that priority funding requests remain valid and ensure that there is no gap when one period ends and the next one begins.

The next 30-day priority funding certification period starts on January 9, 2013 and closes on February 7, 2013. The certifications will be valid from February 8 through June 30, 2013. The following certification period begins on May 8, 2013, and ends on June 7, 2013. The corresponding certifications will be valid from July 1 to December 31, 2013.

For additional information, please contact your OPSC project manager www.dgs.ca.gov/opsc/AboutUs/PMList.aspx

"APPLICATIONS RECEIVED BEYOND AUTHORITY LIST" EMERGENCY REGULATIONS IN EFFECT

On September 19, 2012, the Board approved amendments to the SFP regulations that establish an "Applications Received Beyond Authority List" and a new process for accepting and tracking SFP eligibility and funding applications once there is insufficient school bond authority. On November 1, 2012, the regulations became effective on an emergency basis. For additional information, please contact your OPSC project manager.

www.dgs.ca.gov/opsc/AboutUs/PMList.aspx

APPLICATIONS RECEIVED PRIOR TO NOVEMBER 1, 2012

Before the emergency regulations mentioned above came into effect, Staff continued to process SFP eligibility and funding applications in keeping with the regulations in effect at the time, even though there was insufficient bond authority remaining. Staff is presenting these applications in the Consent Agenda starting on page 28. This Unfunded List includes funding applications received prior to November 1, 2012. Staff is continuing to process applications received prior to November 1, 2012 and will present them to the Board at future meetings.

UPCOMING SAB EVENTS

Program Review Sub-Committee, Third Meeting..... Wednesday, January 16, 2013

Meeting information will be posted on the OPSC website as it becomes available at www.dgs.ca.gov/opsc/.