EXECUTIVE OFFICER STATEMENT
State Allocation Board Meeting, June 30, 2015

PRIORITY FUNDING FILING ROUND

The most recent priority funding filing period opened on May 13, 2015 and closed on June 11, 2015. School districts were required to submit priority funding requests with original signatures to the OPSC before the close of business on June 11, 2015. There are currently 68 projects for 35 school districts on the Unfunded List (Lack of AB 55 Loans) totaling $220 million that could have submitted a request for participation in this filing round. The OPSC received requests for 43 projects. These requests will be valid from July 1, 2015 through December 31, 2015.

Of the remaining projects, two projects totaling $8.3 million received one occurrence for non-participation in priority funding and remain on the Unfunded List (Lack of AB 55 Loans). An additional 12 projects, totaling $11.2 million, received a second occurrence for non-participation. In accordance with School Facility Program (SFP) Regulations, these projects are rescinded without further Board action.

STATUS OF FUND RELEASES FOR PRIORITY FUNDING APPORTIONMENTS

On April 15, 2015, the State Allocation Board (Board) approved $113.6 million in priority funding apportionments for 41 projects representing 22 school districts. Districts that receive a priority funding apportionment on April 15, 2015 are required to submit a valid *Fund Release Authorization* (Form SAB 50-05) containing an original signature by **Tuesday, July 14, 2015** to the OPSC.

As of Monday, June 22, 2015, the OPSC received 17 Forms SAB 50-05 totaling $67.6 million. Staff continues to reach out to those remaining Districts that have not yet submitted the Forms SAB 50-05 for their funding.

If the Form SAB 50-05 is not physically received at the OPSC by **5:00 PM on July 14**, the project will be rescinded without further Board action and may be returned to the Unfunded List with a new approval date of July 14, 2015; unless the school district receives a second non-participation occurrence. Any project receiving a second non-participation occurrence will be rescinded without further Board action.

REQUIREMENTS FOR PARTICIPATION IN PRIORITY FUNDING

OPSC reminds school districts that the requirements for Participation in the Priority Funding Process are in effect (SFP Regulation Section 1859.90.3). There are two ways for a school district to not participate in the priority funding process as follows:

- Not submit a valid priority funding request in the 30-day filing period, or
- Submit a valid priority funding request but fail to submit a valid Form SAB 50-05 to request the release of funds after the Board approves an apportionment.

The second time that either of these occurs, the funding for the project will be rescinded without further action by the Board. For additional information, please refer to the Procedures for School Facility Program Funding.

CHANGES IN OPSC BUDGET

Effective July 1, 2015, the Office of Public School Construction (OPSC) will be reduced by 37 positions due to decreased workload. Twelve of the 37 positions were vacant. Of the remaining 25 positions, many of the affected Staff have already accepted opportunities in other positions within the Department of General Services, and some have moved to other departments. The reductions in workforce will not result in any layoffs.

REGULATIONS UPDATE

On July 1, 2015, the proposed regulations from the implementation of Assembly Bill 308 Chapter 496, Statutes of 2013 will become effective. These regulations establish the Return of Real Property Sale Proceeds Program.

NEXT STATE ALLOCATION BOARD MEETING

There will be no monthly meeting for July 2015.

The next meeting is tentatively scheduled for **Wednesday, August 26, 2015**.