

# CALIFORNIA SCHOOL FINANCE AUTHORITY

## Meeting of the Board

Wednesday, April 11, 2018  
11:00 a.m.

915 Capitol Mall, Room 587  
Sacramento, California 95814

Deputy State Treasurer Vincent P. Brown, serving as Chair, called the meeting to order.

### Roll Call

Members Present: Vincent P. Brown, designee for John Chiang, State Treasurer  
Jacqueline Wong-Hernandez, designee for Michael Cohen, Director of Finance  
Nick Schweizer, designee for Tom Torlakson, Superintendent of Public Instruction

Staff Present: Dana Brazelton, Manager  
Laura Martinez, Manager  
Ian Davis, Program Analyst  
Jodie Jones, Program Analyst  
Anne Osborne, Program Analyst  
Kristen Schunk, Program Analyst  
Nicolaus Seppi, Office Technician

Dana Brazelton welcomed those on the phone line to the Board meeting, after which Chairperson Brown declared a quorum present after roll call. Chairperson Brown also noted that Katrina Johantgen was on Jury Duty, so the Board would only take up Item 2 and Item 5; Items 3 and 4 would be moved to the May meeting.

Item 2: Approval of Minutes: The minutes from the March 14, 2018 Authority Board meeting were presented to the Board and approved unanimously by roll call.

### Item 5: Resolution No. 18-04 – Adoption of Proposed Regulations for the Charter School Facilities Incentive Grants Program and Authorizing the Regular Rulemaking Process

Ms. Brazelton introduced the item and explained that staff recommended approval of the changes. Ms. Brazelton started by explaining the purpose and background of the Program, and that the Round 14 application period had just started. The Authority expects awards to be brought to the Board in August, and is working on these regulations now to use them for Round 14. Ms. Brazelton detailed the following substantial changes:

- Section 10179: Maximum Grant Awards
  - Removing section prohibiting the Authority from amending grant agreements above the initial award amount. In the past few rounds of the Program, there have been several schools that have not been able to meet the requirement of the 1/3 drawdown and have had to return funds to the Authority. Additionally, some schools are only able to obtain estimates of their rent or lease costs

prior to submitting their applications and, in the past, have been limited to the amount of the estimate, even if the rent or lease cost increased substantially. The change will allow the Authority to increase awards to better match schools' needs.

- Section 10181: Content of Application
  - Adding a six-month timeline to demonstrate Program readiness to the application process, to gauge schools' readiness to initiate projects and drawdown funding each year.
  - Adding language that applicants must follow Davis-Bacon and Related Acts (the prevailing wage provision) for any project using Program funds, whether it is partially or wholly funded by the Program.
- Section 10185: Obligation and Expenditure of Funds
  - Adding clear penalty language if grantees do not meet the annual 1/3 drawdown, which will create consistency with the Grant Agreement language.
  - Adding language to allow an extension on the 1/3 drawdown requirement, on a case-by-case basis.
  - Clarifies the 1/3 drawdown requirement is an annual requirement.

Ms. Brazelton called Laura Martinez to the Board to answer any questions, but the board did not have any questions.

Ms. Wong-Hernandez made a motion to approve and Mr. Schweizer seconded. After a call for public comment, the resolution was approved unanimously by rollcall.

There being no additional public comments or other business to conduct, the meeting was adjourned.

Respectfully submitted,

Katrina Johantgen