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# County School Facilities Consortium 2018 Annual Summit

October 4-5, 2018  
The Westin Sacramento  
4800 Riverside Blvd  
Sacramento, CA

## **Proposition 51 Implementation and 2020 Bond Development**

*Jema Estrella*  
CSFC Chair  
Los Angeles COE

*Rebekah Cearley*  
Legislative Advocate  
County School Facilities Consortium

## Speaker Biography

Jema Estrella

Director, Facilities and Construction  
Los Angeles County Office of Education

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Jema Estrella is the Director of Facilities and Construction at the Los Angeles County Office of Education, as well as the current Chair of the CSFC Executive Committee.

Her background is in architecture and she has 18 years of experience in facilities design and construction and management of retail and educational facilities.

Jema currently oversees over 400 school facilities for various programs including Special Education, County Community Schools, Juvenile Court Schools, Head Start and Early Head Start, and various administrative offices. Her role includes leasing, design, construction, maintenance and operations, security, emergency preparedness and school compliance programs such as facilities inspections according to the *Williams* Legislation.

## Speaker Biography

Rebekah Cearley

Legislative Advocate  
County School Facilities Consortium

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Rebekah Cearley is a legislative advocate for education entities including the County School Facilities Consortium (CSFC), the Coalition for Adequate School Housing (CASH), and the Community College Facility Coalition (CCFC), with a focus on school facilities issues.

She has over ten years of experience in the State advocacy sector, helping clients from small associations to large companies navigate the State budget, legislative, and regulatory processes. She previously served as a consultant to school districts participating in the State School Facility Program, assisting them with accessing state grant dollars for facility projects.

Rebekah has a B.A. in Political Science from the University of California, Berkeley.



## Proposition 51 Implementation 2018 Policy Issues October 2018

*This document identifies recent policy issues related to the implementation of Proposition 51.*

### **Proposition 51 Bond Sales**

*Status: FY 2018-19 Budget Act includes \$640 million in bond sales to fund School Facility Program projects.*

- Governor's FY 2018-19 January budget proposed \$640 million for School Facility Program projects. At the time, there were projects worth over \$3 billion on the Office of Public School Construction (OPSC) workload lists.
  - To fund New Construction, Modernization, Career Technical Education Facilities Grant Program, and Charter School Facilities Program.
- The Repair Our Schools Now coalition convened to urge the Legislature to include \$3 billion in bond sales in the budget. CSFC was a partner on this coalition.
- The coalition successfully advocated for the bond sale issue to be agendized for discussion in the Senate and Assembly education budget subcommittees.
- Both the Senate and Assembly versions of the budget included \$1.5 billion in bond sales, and trailer bill language to require OPSC to process at least \$1.5 billion worth of Proposition 51 applications each fiscal year through June 2023 for apportionment by the State Allocation Board. *Because they took the same action, this item did not go to Conference Committee.*
- After final budget negotiations between the "Big Three" (the Governor, Senate President Pro Tem Toni Atkins, and Assembly Speaker Anthony Rendon), the final FY 2018-19 budget approved in June 2018 included the Governor's original proposal of \$640 million.

### **Proposal to Eliminate Acknowledged List**

*Status: OPSC does not plan to bring forth an action item at this time.*

- OPSC developed a proposal for consideration at the June 27, 2018 State Allocation Board (SAB) meeting.
  - Due to concerns raised by stakeholders and SAB members, this discussion was deferred to a future meeting.
- OPSC proposed to stop accepting applications for funding when the SAB has received sufficient requests for funding to account for remaining New Construction and Modernization projects – i.e. when bond authority has been exhausted.
  - OPSC estimated New Construction would be exhausted October 2018, and Modernization in September 2019.
- On July 11, 2018, OPSC hosted a stakeholder meeting on the proposal and received two hours of comments against the proposal.
  - CSFC members opposed the proposal, arguing it would significantly harm Financial Hardship districts and COEs.
- On August 15, 2018, OPSC Executive Officer Lisa Silverman indicated to the SAB that OPSC would not be bringing the proposal forth for action at this time.
- On September 12, 2018, OPSC announced that bond authority for New Construction has been exhausted, and applicants must submit a school board resolution in recognition of this.

### **Changes to New Construction Program: Eligibility Rejustification, Etc.**

*Status: Regulations approved by SAB on January 24, 2018.*

The SAB approved the following changes to the New Construction program:

- Codify “Option 1” policy approved by the SAB on June 5, 2017, requiring applicants to update their eligibility for the year in which OPSC processes the funding application.
- Allow Seismic Mitigation Program (SMP) projects to be submitted as regular facility hardship New Construction projects, as SMP bond authority had been exhausted.
- Permit small school districts to request a 3-year lock using enrollment from the application date *if* the request is made prior to OPSC’s notification that it will soon begin processing the funding application.

### **Applications Funded with 2012 Grant Amounts**

*Status: School districts continue to appeal the SAB’s action from September 6, 2017.*

- At its September 6, 2017 meeting, the SAB provided apportionments to projects on the True Unfunded List using the 2012 pupil grant amounts rather than the 2017 grant amounts.
- CASH filed an underground regulation petition with the Office of Administrative Law (OAL) challenging this action.
- At the SAB meeting on April 25, 2018, SAB Chair Jacqueline Wong-Hernandez stated that OAL declined to take up CASH’s petition, and that there is no legal basis for the Board to consider an appeal of its own action. She indicated that two appeals were received by OPSC and the districts were notified the matter was not appealable. Fourteen additional appeals were received by OPSC, which notified the districts that their appeals will not be heard by the Board.
- A report on this issue was originally agendized for the August 15, 2018 SAB meeting, but it was withdrawn from the agenda to allow time for additional research.

### **Adoption of Local Audit Requirements**

*Status: The Education Audit Appeals Panel adopted emergency regulations on June 4, 2018 and is now finalizing permanent regulations adopting the 2018-19 K-12 Annual Audit Guide.*

- Budget trailer bill AB 99 was signed into law on June 27, 2017, adding state-funded school facility project scope to the Annual K-12 Audit. Local auditors will review:
  - Detailed list of expenditures for completed projects, including state and local matching funds.
  - Whether expenditures are in compliance with SFP statute, regulation, and the Grant Agreement.
- On June 4, 2018, the Education Audit Appeals Panel (EAAP) adopted the Audit Guide as emergency regulations, and on June 18, 2018 EAAP directed staff to begin the formal rulemaking process for adoption of permanent regulations. Final adoption of permanent regulations is expected at the EAAP meeting on September 24, 2018.