

MEMORANDUM

Date: June 11, 2014 **Staff Summary No. 4**

To: Members, California School Finance Authority

From: Katrina M. Johantgen, Executive Director

Re: Resolution No. 14-10 – Approving Regulations for the Charter School Facility Grant Program and Authorizing the Permanent Rulemaking Process

Pursuant to AB 86 (Chapter 48, Statutes of 2013), the administration of the Charter School Facility Grant Program (Program) was transferred to the California School Finance Authority (Authority) commencing with the 2013-14 fiscal year. This grant program provides assistance with facilities rent and lease costs for pupils in charter schools and requires the Authority to allocate facilities grants to eligible charter schools. Pursuant to Education Code, Section 47614.5(m), at its July 2013 board meeting, the Authority board adopted emergency Program regulations, which were submitted for the Office of Administrative Law's (OAL) approval on July 24, 2013 and adopted by OAL on August 16, 2013.

The 45-Day Notice for permanent rulemaking, pursuant to Government Code, Section 11346.4, was issued to OAL on March 20, 2014 and published on April 4, 2014. During the public comment period, the Authority received comments from two constituents (attached). As a result of staff's review and consideration of these comments, staff made modifications to the proposed regulations at Sections 10170.4(a) and (d) relating to eligible costs, and Section 10170.14(a) relating to conflict of interest, and issued a 15-Day Notice for public comment pursuant to Government Code section 11346.8(c), and section 44 of Title 1 of the California Code of Regulations. The public comment period under the 15-Day Notice ended on June 9, 2014. These modifications are identified by double-underline and double strike-outs in the proposed regulations. All other text is underlined as it represents new permanent regulations.

Upon completion of the public comment period under the 15-Day Notice and approval of the final form of the regulations, the Authority will submit the Certificate of Compliance, including the rulemaking file, to OAL for adoption of the permanent regulations. Staff recommends that the Board adopt Resolution 14-10 approving the proposed permanent regulations for the administration of the Charter School Facility Grant Program. If approved, the Executive Director will initiate the submission of the Certificate of Compliance and supporting documentation for processing by the Office of Administrative Law.