

MEMORANDUM

Staff Summary No. 8

Date: July 27, 2023
To: Members of the California School Finance Authority
From: Katrina M. Johantgen, Executive Director
Re: Resolution 23-34 - Charter School Facility Grant Program (SB740) Regulatory Items Regarding Program Application Dates (Action Item)

The Charter School Facility Grant Program or SB740 Program (Program) provides annual assistance with facilities rent and lease costs for pupils in California’s charter schools. Since 2013-14, the Authority has made changes to the regulations that guide this Program. The Authority is requesting approval of these most recent revisions based on feedback from stakeholders and to improve Program efficiencies. Upon board approval, the changes will become part of the program regulations once approved by the Office of Administrative Law.

These proposed amendments to the regulations add specific dates regarding appeal timelines.

The Authority intends to submit these proposed regulations through the Regular Rulemaking Action upon the Authority Board’s approval of the following proposed changes:

Section 10170.10. Notification of Grantee; Appeal Process.

- (c) – Remove the entire sections.
- (d)-(h) – Each subsection will be amended to the next letter alphabetically.
- (d) (New(c)) – Remove "final decision" and replace with "appeal response notice" for clarity.
- (e) (New(d)) – Remove "an" and replace with "a secondary" appeal notice for clarity.
- (f) (New(e)) – Remove the former appeal timeline to simplify process with current dates, to prevent any undue harm, and better align with clarity and proposed procedures.
- (g) (New(f)) – Remove original and add clearer language related to a denial based on a lack of response.

Recommendation: Authority staff recommends the Board adopt Resolution 23-34, approving the proposed regulations for the administration of the Charter School Facility Grant Program. If approved, the Executive Director will include the Resolution demonstrating the Board approval with the rulemaking file to the Office of Administrative Law.

**TEXT OF REGULATIONS
CALIFORNIA CODE OF REGULATIONS
Title 4, Division 15, Article 1.5
Charter School Facility Grant Program**

§ 10170.10. Notification of Grantee; Appeal Process.

- (a) The Authority will provide notice to each Applicant of Authority staff's eligibility determination and award calculation pursuant to Sections 10170.7 and 10170.8.
- (b) An Applicant shall have 30 calendar days from receipt of the Authority's notice to request reconsideration of eligibility or the award calculation by Authority staff.
- ~~(c) Authority staff shall have 30 calendar days to review an Applicant's request for reconsideration and provide a final staff decision.~~
- ~~(d)~~ (c) If the Applicant is unsatisfied with Authority staff's ~~final decision~~ appeal response notice, the Applicant shall have 30 calendar days following receipt of notice of the decision to notify the Authority that the Applicant wishes to appeal the matter to the Authority board.
- ~~(e)~~ (d) Upon receipt of an secondary appeal notice from an Applicant, the matter will be considered by the Authority board at the next regularly scheduled Authority meeting.
- (f) ~~(e)~~ Applicants may request a single extension of up to 30 days for either of the deadlines provided in Section 10170.10 (b) or (d). ~~Including the 30-day extension, the entire Appeal Process under subsections (b)-(d) may not exceed 120 days.~~ The extension request must be approved by Authority staff and can be granted only one time during an appeal process. Staff shall consider the request for extension based upon a showing of good cause and evaluate on a case-by case basis. Extensions granted under these conditions are considered final and not subject to an additional appeal process
- ~~(g)~~ (f) If an applicant fails to reach-submit an appeal pursuant to Section 10170.10 (e) within 30 days from receipt of an Authority's notice described in Section 10170.10(b) or (c) ~~appeal is not able to be resolved by the deadlines provided in Section 10170.10 (b), (d), and (f)~~, the Authority shall deny the appeal based on a failure to comply with Program regulations. This decision is considered final and is not subject to an additional appeal.
- ~~(h)~~ (g) If an eligibility determination or award calculation is modified by Authority staff or the Authority Board, changes in apportionments will be processed and distributed to the Applicant within 30 days.

Note: Authority cited: Section 47614.5, Education Code. Reference: Section 47614.5, Education Code.