Proposition 39 K-12 Program
2018-19 Preliminary Update

Update Presentation to the Citizens Oversight Board

Bill Pfanner
July 24, 2019
California Energy Commission
PROPOSITION 39 K-12 PROGRAM
Clean Energy Job Creation Fund Appropriations

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<tbody>
<tr>
<td>K-12 Program</td>
<td>$381.0</td>
<td>$279.0</td>
<td>$313.4</td>
<td>$398.8</td>
<td>$376.2</td>
<td>$1,748.4</td>
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Funding Allocation by LEA Type

2,189 Total LEAs

Charter Schools 1182 54%
Public School Districts 946 43%
County Offices of Education 58 3%
State Special Schools 3 <1 %
LEA Funding Distribution

- Charter Schools, $304.3 M (17%)
- Public School Districts, $1,425.6 M (82%)
- County Offices of Education, $17.9 M (1%)
- State Special Schools, $611,537 (<1%)

$1,748.4 M Total Allocations
Trends

Annual vs Final Reports

*Estimates as of 7/10/19 – Final Number Reports may differ
Challenges

• Schools not submitting Annual/Final Reports

• Received list for 2018-19 of 23 closed charter schools

• Received preliminary list for 2019-20 for 52 closed charter schools
Appeal Process for Prop 39 Decision

To relocate an approved EEP from one school site to another, "the LEA is required to submit a new EEP."

- February 26, 2018, final new EEP application deadline.
- Staff denied March 2019 EEP amendment to change the school's site.

- Prop 39 appeal of staff decision through a Petition for Reconsideration to the CEC Executive Director.
- Executive Director’s decision can be appealed to Commission.
- CEC denied amendment and requested LEA to cancel EEP.
- CDE will determine if LEA is obligated to return any Prop 39 funds.
Anderson Union High School District v Shasta Secondary Home School Case (208 Cal. Rptr.3d 564)

- Oct. 2016, CA Third District Court of Appeal held that a charter school may not locate a non-classroom based resource center outside the geographic boundaries of the authorizing school district within the same county.

Authorization to allow EEP in closed school in compliance with “Shasta Decision”

- CEC determined that a closed school’s approved EEP is valid if:
  1) New CDS code from CDE resulting from the Shasta Decision.
  2) School remained in the same location.
  3) School has the same purpose it had under original authorizing charter.
  4) School does not deviate from approved EEP.
  5) EEP is not in conflict with the Proposition 39 guidelines.

- CEC will process EEP with original CDS code and will report to CDE.
Granada Community Charter

• Charter closed, reopened under different entity
  – CEC determined that a closed school’s approved EEP remains valid if:
    1) School closed on or after June 30, 2018.
    2) School remained in the same location.
    3) School has same purpose it had under the original charter.
    4) School does not deviate from its approved EEP.
    5) EEP is not in conflict with the Proposition 39 guidelines.
  – Use of any Prop. 39 funds will require the responsible entity to submit an annual and final report.
  – Responsible entity accountable for any violations of Proposition 39 regulations identified in an audit.
• **Charter School became inactive in 2018 but intends to reopen in 2019**
  
  – Charter is still a active and EEP will remain valid if:
    1) School remains in the same location
    2) School does not deviate from its approved EEP
    3) EEP is not in conflict with the Proposition 39 guidelines

• **School closed for one year but intends to reopen**
  
  – If School reopens in 2019 as planned, the school can proceed with the energy upgrades approved in the original EEP.
  
  – LEA is require to submit annual and final report in conformance with the Proposition 39.
Taylione San Diego Academy

- **School received Prop 39 funds, then closed**
  - CEC approved EEP.
  - School permanently closed as of June 30, 2018.
  - School no longer occupies leased buildings.
  - LEA required to submit a final report.
    - Verification of all Prop 39 funds spent.
    - 12 months post project utility data.
  - School vacated the site prior to payback period.
  - School is responsible for any violations of the Prop. 39 statutes and guidelines identified in an audit.
  - CDE notified and will determine appropriate action.
# Prop. 39 Schedule and Milestones

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<tr>
<th>Event</th>
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<tr>
<td>LEA Final Encumbrance Date</td>
<td>June 30, 2019</td>
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<tr>
<td>Submit Energy Commission 2018/19 Annual Report to Citizens Oversight Board</td>
<td>January 2020</td>
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<tr>
<td>LEA Notice of Final Project Completion Date</td>
<td>January and April 2020</td>
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<tr>
<td>LEA’s Final Project Completion Date</td>
<td>June 30, 2020</td>
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<tr>
<td>Submit Energy Commission 2019/20 Annual Report to Citizens Oversight Board</td>
<td>January 2021</td>
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<tr>
<td>Final date all project reporting completed</td>
<td>June 30, 2021</td>
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<tr>
<td>Deadline for all Final Project Completion Reports</td>
<td>September 30, 2021 (15 months after June 30, 2020)</td>
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<tr>
<td>Submit Energy Commission 2020/21 Annual Report to Citizens Oversight Board</td>
<td>January 2022</td>
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Questions?