

Question	Answer
1. Incentive Grants Program Eligibility	
1a. Please describe the Incentive Grants Program (Program)?	The Program is Federally funded and provides 3-year grants to high performing charter schools to offset on-going facility costs (see Eligible Costs on page 6.)
1b. I am a past recipient of an Incentive Grant. Can I apply again?	Current Subgrantees (Rounds 9, 10 & 11) are not eligible to apply for Round 12. However, recipients who received awards prior to Round 9 (Round 1-8) may apply.
1c. How does the Authority determine whether an Applicant meets the "site based instruction" eligibility criteria?	Staff will compare prior Fiscal Year Enrollment and classroom based P-2 ADA reports to confirm site based instruction. At least 80% of the instructional time offered by the charter school must be at the school site.
1d. What does good standing mean?	The charter school must be in good standing with its Charter Authorizer and in compliance with the terms of its charter at the time of application submission, and without interruption throughout the term of the grant. Authority staff will seek the required verification directly from the Charter Authorizer. If the Authority is unable to obtain the requested information, the applicant will be notified of the pending requirement.
1e. Is the school eligible if it is in default with other Authority programs?	A charter school and its Charter/Management Organization, if applicable, must be in good standing with all of the programs administered by the Authority. For example, a school cannot be delinquent on CSRLF loans or owe back grant funds to another program administered by the Authority and receive an award under the Program.
1f. How much funding was available for Round 11 last year? How much is available for Round 12?	Round 11 awardees were awarded \$19 million in grants. The award amount available for Round 12 will be approximately \$18 million.
1g. Can a school apply that is currently in its first year of operations?	No, the charter school must have completed at least one school year of instructional operations before the charter school applies. (Round 12: The school must have begun educational operations prior to 4/1/2015.)

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2. Application Submission	
2a.	<p>What if our school misses the application deadline</p> <p>Late applications cannot be accepted (Program Regulations Section 10180). All applications must be received by the Authority no later than <u>4:00 p.m. on Wednesday April 27, 2016.</u></p> <p>Applicants using the U.S. Postal Service for delivery are advised to ensure that parcels will be delivered prior to the deadline and should obtain a receipt as documentation of when their parcel was mailed.</p>
2b.	<p>Should the application be submitted to the Sacramento or the Los Angeles address</p> <p>Applications may be mailed or hand delivered to the Authority's offices in either Sacramento or Los Angeles. Please be aware that on-street parking is very limited.</p> <p>California School Finance Authority 915 Capitol Mall, Room 101 Sacramento, CA 95814</p> <p>-----or-----</p> <p>California School Finance Authority 300 S. Spring Street, Suite 8500 Los Angeles, CA 90013</p>
2c.	<p>If I am a current Subgrantee do I need to submit an Application?</p> <p>No, the Incentive Grant is a three year award; Current Subgrantees (Rounds 9, 10 & 11) do not need to submit a new application in order to continue to receive grant funds during the term of their grant award.</p>
2d.	<p>Are we able to submit leases, charters agreements, and other docs via USB?</p> <p>Yes, applicants can, and are encouraged to, submit their lease, charter and other backup documentation on either a USB or CD ROM. However, the Application Form 05-01, checklist, and Legal Status Questionnaire must be submitted as originals with wet signatures.</p>

Question	Answer
3. Preference Points	
3a.	<p>How are Low-Income Preference points determined? (Up to 60 points)</p> <p>The low-income preference points will be based on the charter school's current Free & Reduced Price Meals (FRPM) percentage, as provided by the California Department of Education (CDE). Points shall be assigned on a sliding scale (see Regulations Section 10182 (a).)</p> <p>If there is an error in the percentage reported for your charter school or current information is not available, you will be responsible for contacting CDE to correct their records prior to receiving any points in this category.</p>
3b.	<p>Can we rely on our attendance area Elementary School's FRPM data to qualify for FRPM preference points?</p> <p>No, the Applicant cannot rely on another school's FRPM data.</p>
3c.	<p>How are Overcrowded Preference points determined? (10 Points)</p> <p>Charter schools physically located within driving distance of any public school eligible for either (1) Overcrowding Relief Grant (2) Critically Overcrowded School. The Applicant's driving distance will be determined by the Locale Code assigned by U.S. Department of Education (see National Center for Education Statistics (NCES) website)</p> <p>Maximum Driving Distance City/Urban : 3 miles Suburban : 10 Miles Town/Rural: 15 Miles</p> <p>Note: If no data is available on the NCES website for the applicant charter school, no points will be awarded under this category.</p>

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3d.	How are Nonprofit Entity Preference points determined? (20 Points)	The school or entity operating the charter school must meet the definition of a non-profit entity. A charter school's non-profit status can be documented by either a 501(c)(3) letter from the Internal Revenue Service or verification from the California Secretary of State that reflects its non-profit status.
3e.	How are First-Time Award Preference points determined? (20 Points)	The charter school has not previously received an award under the State Charter School Facilities Incentive Grants Program. Even if a charter school received an award in a previous funding round, but did not draw down any funds, the school will be considered to have received an award and will receive 0 points under this category.
3f.	How will Student Performance and Student Choice be calculated with the state's change to Common Core?	Because California has not yet published Common Core standards, the Authority will not calculate Student Performance and School Choice based on Academic Performance Index (API) for funding Round 12. However, Adequate Yearly Progress (AYP) will be used to determine 10 out of 20 points for School Choice.

Question	Answer
4. Maximum Grant Awards	
4a. How is the award calculated for applicants requesting: <ul style="list-style-type: none"> • Base Rent/Lease • Prop 39 • Mortgage/Debt Service 	Annual grant awards are calculated based on the lesser-of-the-three calculation: <ul style="list-style-type: none"> • Current Enrollment multiplied by \$750; or • 75% of the school's annual facility cost; or • \$250,000 Example: Enrollment: $121 \times \$750.00 = \$90,750$ Lease: $\$125,000.00 \times 75\% = \$93,750$ \$250,000 Cap The Annual award is \$90,750 (lesser-of-the-three calculation.) TOTAL AWARD: Annual award x 3-years = \$272,250
4b. How is the award calculated for applicants requesting: <ul style="list-style-type: none"> • Purchase/Acquisition • Design • New Construction • Renovation 	Annual grant awards are calculated based on the lesser-of-the-three calculation: <ul style="list-style-type: none"> • Current Enrollment multiplied by \$1,000; or • 75% of the Project cost/ 3-years; or • \$500,000 Example: Enrollment: $121 \times \$1,000.00 = \$121,000$ Purchase: $(\$2,500,000 \div 3) \times 75\% = \$625,000$ \$500,000 Cap The Annual award is \$121,500 (lesser-of-the-three calculation.) TOTAL AWARD: Annual award x 3-years = \$363,000
4c. How does the Authority determine an Applicant's enrollment?	The Authority shall review current enrollment as reported by the California Department of Education (CDE)

Question	Answer
5. Eligible Costs	
5a. What costs are eligible for reimbursement?	The following items are eligible costs for reimbursement: Base Rent/Lease payments Proposition 39 pro-rata payments Mortgage/Debt Service payments Purchase/Acquisition, design, construction, or renovation of a facility
5b. What is the difference between construction and renovation?	<ul style="list-style-type: none"> • Renovation: Modifying/extending/remodeling the structure of an existing school facility. • New Construction: (1) Construction of a new facility; or (2) Modifying/extending/remodeling a structure that is not currently being used as a schoolsite, for the purposes of developing educational facilities.
5c. Will schools that receive funding through this Program for construction or renovation projects be required to comply with Davis-Bacon prevailing wage levels?	Yes, the Davis-Bacon Act requires that any federally funded or assisted construction project pay prevailing wages to laborers (if the contract exceeds \$2,000).
5d. Will charter schools that receive these federal funds for a construction project be required to comply with federal requirements, such as the National Environmental Protection Act (NEPA)?	For the purposes of this grant Program, all charter schools that receive an award of grant funds will be required to meet all applicable federal, state, and local health and safety requirements.

Question	Answer
5e. What information is required for applicants requesting an award for construction, renovation, or purchase costs?	<p>To meet the federal guidelines, eligible projects need to directly benefit the students and be related to the classroom facility. Applications for funding will need to include:</p> <ul style="list-style-type: none"> • A description of the construction or purchase project including a line-item breakdown of the anticipated costs, and; • A description of how the project will directly benefit the students.
5f. What if I'm not starting construction until next year?	<p>Subgrantees that receive an award for purchase, construction, or renovation must provide verification that the approved project has been initiated within six months of the award date</p>
5g. Can I get early construction / planning costs?	<p>The Program will reimburse design and planning costs. However, it is important to keep in mind that the Program will not reimburse any costs incurred prior to the grant award date.</p>
5h. Are Charter School Facilities Program (CSFP) Costs eligible?	<p>No, the Program shall not fund costs incurred to meet a charter school's local match obligation for charter school facilities that receives funds pursuant to the Charter School Facilities Program (CSFP.)</p>
6. Continuing Eligibility Requirements	
6a. Are there any continuing eligibility requirements for schools that are awarded grants under the Program?	<p>Yes, subgrantees must recertify eligibility twice annually in February and August. Failure to do so may result in the loss of grant funds or rescinding of the award.</p>
6b. Will charter schools that receive these federal funds be required to comply with any audit requirements?	<p>Subgrantees that receive more than \$500,000 in federal funds in any year, in combination through this Program and with any other federal funding program, will be required to conduct an A-133 audit. (www.whitehouse.gov/omb/circulars) Additionally, schools that receive a grant award must be actively registered with the U.S. System for Award Management (SAM) and have an active DUNS number (Dunn and Bradstreet number).</p>

Question	Answer
7. Supplant/Supplement	
7a. Are charter schools eligible to apply for funding from both the Charter School Facility Grant Program (SB 740) and this Program?	Charter schools may apply for both programs; however, charter schools that receive grant funds authorized under either of these two programs should be aware that they may not receive funding in excess of 75% of annual lease costs through either program, or in combination with either program, for any one school year. Additionally, a school's eligible costs will be funded from the Charter School Facility Grant Program before getting funded through this Program. As the federal program is intended to supplement and not supplant state funding for charter schools, schools must maximize their award for eligible costs under the state program first. To that end, staff will be reviewing applicants' eligibility and funding history under the state program when finding schools eligible for this Program, and when making a final funding determination. See Supplant/Supplement Matrix.

Supplant/Supplement Matrix

		Incentives Applicant			
		A. Applied for and eligible for lease/rent costs only.	B. Applied for and Prop 39, Debt Service, or Mortgage costs.	C. Applied for and eligible for Renovation costs only.	D. Applied for Purchase, Design, or New Construction.
SB740 Applicant	1. Applied for and eligible for lease/rent costs only.	(a) *ADA allowance < **lease allowance, then SB740 covers up to ADA allowance and Incentives covers remaining lease allowance up to [\$750 x (Enrollment – ADA)] (**lease differential); (b) ADA allowance > lease allowance, then SB740 covers lease allowance, and the Applicant is not eligible for Incentives.	NOT Supplant/Supplement as Prop 39, Debt Service, and Mortgage costs are not eligible for SB740. Projects will be evaluated separately	Renovation Costs shall not be eligible under Incentives, unless different schoolsites. 10179. (d) (a) ADA allowance < lease allowance, CSFA will require Applicant to amend Incentives application to apply for lease costs only. SB740 covers up to ADA allowance and Incentives covers remaining lease allowance up to [\$750 x (enrollment – ADA)] (lease differential); (b) ADA allowance > lease allowance, 75% of Lease Costs + Renovation Costs will be covered by SB740 up to ADA Allowance. Applicant is not eligible for Incentives.	NOT Supplant/Supplement. Purchase, Design, and New Construction are not eligible for SB740. Projects will be evaluated separately
	2. Applied for and eligible for lease costs and Renovation costs.	(a) ADA allowance < lease allowance, SB740 covers up to ADA allowance and Incentives covers remaining lease allowance up to [\$750 x (enrollment – ADA)] (b) ADA allowance > lease allowance, 75% of Lease Costs + Renovation Costs will be covered by SB740 up to ADA Allowance. Applicant is not eligible for Incentives.	NOT Supplant/Supplement as Prop 39, Debt Service, and Mortgage costs are not eligible for SB740. Projects will be evaluated separately	Renovation Costs shall not be eligible under Incentives, unless different schoolsites. 10179. (d) (a) ADA allowance < lease allowance, CSFA will require Applicant to amend Incentives application to apply for lease costs only. SB740 covers up to ADA allowance and Incentives covers remaining lease allowance up to [\$750 x (enrollment – ADA)] (lease differential); (b) ADA allowance > lease allowance, 75% of Lease Costs + Renovation Costs will be covered by SB740 up to ADA Allowance. Applicant is not eligible for Incentives.	NOT Supplant/Supplement. Purchase, Design, and New Construction are not eligible for SB740. Projects will be evaluated separately
	3. Applied for and eligible for Renovation costs only.	CSFA will require the Applicant to amend the SB740 application to also apply for lease costs. (a) ADA allowance < lease allowance, SB740 covers up to ADA allowance and Incentives covers remaining lease allowance up to [\$750 x (enrollment – ADA)] (b) ADA allowance > lease allowance, 75% of Lease Costs + Renovation Costs will be covered by SB740 up to ADA Allowance. Applicant is not eligible for Incentives.	NOT Supplant/Supplement as Prop 39, Debt Service, and Mortgage costs are not eligible for SB740. Projects will be evaluated separately	Renovation costs are not covered under Incentives, unless different schoolsites. 10179. (d) Applicant will be eligible for SB740 Award 75% of Renovation Costs up to ADA Allowance.	NOT Supplant/Supplement. Purchase, Design, and New Construction are not eligible for SB740. Projects will be evaluated separately

*ADA allowance = \$750 x Classroom Based ADA;

**Lease allowance = 75% of eligible lease costs.

***Lease Differential = Remaining Lease Allowance up to \$750 x (Enrollment – Classroom Based ADA)

****All scenarios assume same schoolsite. If different schoolsites are involved for Incentives, school is eligible under Incentives reimbursement pursuant to Section 10178(g) of Incentives regulations.

Renovation: Modifying/extending/remodeling the structure of an existing school facility.

New Construction: (1) Construction of a new facility; (2) Modifying/extending/remodeling a structure that is not currently being used as a schoolsite, for the purposes of developing educational facilities.