



California School Finance Authority

Webinar Transcript Incentives Grant Application April 2, 2015

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Charter School Facility Grant Program (SB740 Program) will only accept 2014-15 Invoices electronically. The webinar will highlight completing the new Invoice Wizard, Other Costs eligible for reimbursement and acceptable supporting documents.

Title Slide – State Charter School Facilities Incentive Grants Program (CFDA #84.282D)

Ian Davis: Good morning, everyone, and welcome to the SB740 Invoice Webinar hosted by California School Finance Authority (CSFA). My name is Ian Davis, I'm the SB740 Program lead and my co-lead is here as well.

Anne Osborne: I'm Anne Osborne, the SB740 lead as well.

Ian Davis: So today we will be talking about the invoices and the electronic submission process for that. We won't go into anything regarding the application process so much. Next week we will be hosting another webinar to discuss these changes that have happened with our regulations as well as the new application. So please stay tuned for that. And again, at the very end of this, we will be showing you the dates for all of those webinars.

If you have any issues, please feel free to contact the 1-800 number on the screen or go to the website. The presentations are available for download on our website under the SB740 page as well as we have live captioning available. And later on we will be having the PowerPoint presentation, a recording of this presentation as well as transcripts available for download off of our website. If you have any questions at all, please feel free to use the chat box that's available within the webinar application. We will receive these questions. Unfortunately, we don't have time during this webinar to answer those questions, but we will be getting back to you within probably two weeks to discuss any frequently asked questions (FAQ). So we will develop a frequently asked questions page, go over some of the examples we put forth in the presentation as well as any questions that were sent by any attendees or any other people who have future questions. And this will be an ongoing frequently asked questions page. We will e-mail the FAQ's to you as well, but we will be posting it on our website for anybody who will be submitting invoices can use that.

Slide 1 – Agenda

(2:24)

Our agenda today will be a program overview of what SB740 is, the invoice wizard itself, which is our new template service to submit these electronic invoices, as well as program updates. So far, CSFA, as of October 2013 when we took the program, we have disbursed up to \$150 million and we hope to continue to increase that.

Slide 2 – Program Overview

(3:02)

Anne Osborne: Good afternoon. Let's talk a little bit about the program. SB740 is a state funded program to reimburse charter schools for their facilities, rent, or lease costs and other reimbursable expenses such as deferred maintenance and remodeling. These costs will be discussed further in the presentation. In the 2014-15 funding round CSFA had \$92 million that we could award to charter schools. Reimbursement is based on charter school average daily attendance, which is the P2 data provided by the California Department



of Education (CDE). Schools will receive an initial disbursement in August, a second disbursement in March, and the third disbursement, which you will be submitting with the invoice, will be coming June or July.

Slide 3 – Program Eligibility

(4:23)

Program eligibility, all schools must have a current charter in place as well as a current lease. Schools must meet the low income criteria. Charter schools have at least 70% of the student population receiving Free or reduced Price Meals (FRPM), at the charter school applying or the charter schools can use their local elementary school with the same 70% of the FRPM. California Department of Education will provide the P2 data for the current school year. The FRPM will be used to determine final eligibility for the 2014-15 awardees. Schools must also maintain this 70% FRPM throughout the school year. Schools also are to be classroom-based instruction.

Slide 4 – Maximum Grant Calculator

(5:27)

Ian Davis: The way that CSFA calculates the Maximum Grant Calculator is called the lesser of the two. Either 75% of your facility costs or \$750 times your Average Daily Attendance (ADA), whichever is the smaller of those two is the maximum amount that you can be awarded.

What do we mean by facility costs? We mean both the rent and lease as well as the invoices that you can submit. These include the deferred maintenance, installation, remodeling, etc. So you can begin to build up your facility costs if you have these ongoing costs going on throughout the school year. These are costs that are going to be incurred throughout only the state fiscal year, July 1st, 2014, to June 30th of 2015 in this round.

The initial award is calculated based off last year's ADA information but the final "true-up" amount will be based on the P2 data submitted later this month. This will be the ADA data we receive as well as the P2 data and we will use as the multiple of \$750. Whichever the lesser of the two will be your total grant award. CSFA disburses the award in three installments, and the final award will be based on the P2 data received for this year. CSFA will probably receive the P2 data later this month.

Slide 5 – Grant Calculator

(6:59)

The program calculator we work with is generally this. First CSFA reviews your facility costs, that is your rent or lease costs. This school's annual lease costs are \$126,000. They had other costs and these were the invoices they submitted. Of the invoices they submitted CSFA found that \$9,800 was eligible for reimbursement. CSFA totaled these together and got \$136,000. The \$136,000 is what we multiply the 75% by. So 75% of the sub-total is the award amount for the school's facility costs. Now CSFA reviews the ADA, the ADA is about 203 students. We multiplied that by the \$750 and got \$152,000. Of course the lesser of the two is the facility cost, so the facility cost will be their total eligible award for this year. (Please see Slide 5 for further clarification.)

The first disbursement was about 50%. This was based off their lease only. If you look at \$102,000, that's not 50% of \$102,000. That is because the school's rent and lease costs earlier this year were different. Possibly the school had a smaller facility at the time. Things change throughout the school year so CSFA is constantly asking schools if you have any changes in your rent or lease, please let us know. For this school in particular, their rent and lease costs drastically increased. CSFA granted the school 50% in October 15th, 2014. We awarded in August through October. The Second disbursement was awarded in March, and that was again based on their first lease the final award. The true-up: when we finally asked the schools to please submit all their other costs, any deferred maintenance, any remodeling that you may have had, any materials that you may have bought for projects to continue to facilitate your school, we ask for those invoices. CSFA adds these additional costs into the facility cost as well as ask for any other changes in the rent or leases. For this school their lease obviously changed, and we included the invoices. Their final true-up amount was \$58,000 and we just took the \$102,000 Total Award and subtracted out the \$14,000, the \$28,000 that was already awarded to the school. CSFA will be able to award the school in July for about \$15,000.



Slide 6 – Other Costs

(9:48)

Other costs include remodeling buildings, deferred maintenance, installation, materials for projects that may be ongoing or have been finalized, as well as maintaining and repairing common areas. Now we have had two changes to our regulations as of our last Board meeting. The Board has approved these changes; however, we are still going through the Office of Administrative Law(OAL). As soon as the proposed changes are routed through OAL, they will officially become part of the SB740 Regulations. Even though the changes have not finalized our recommendation is to go ahead and submit invoices that reflect these changes as they will most likely be approved in a month.

The first change is under Section 10170.4 Eligible Costs (d). This item has been removed. This item was a stipulation that “Grant funds may not be applied toward insurance, property taxes and other assessments against the property, or utility charges” were not eligible. You can now submit those other costs but it is preferable if those charges were already covered in the school’s lease. For schools that have additional costs that were not part of your lease and fall in to one of these categories then you can claim them as Common Area Maintenance.

The other item is also under Section 10170.4 (b) (5), “Costs incurred for instructional costs including but not limited to salaries and benefit paid to teachers, instructional aides, its educational management organization or charter management organization, or the chartering authority and existing district personnel.” We want to make sure we are not paying personnel for what they generally receive as salaries. So please bear that in mind when you are submitting costs to us so these people are not part of your general salary.

Slide 7 – Invoice Wizard (part 1)

(12:04)

The Invoice Wizard, is available for download off of our website for the SB740 Program. You can click on it and download it as an Excel program. Excel 2000 is required to execute the Wizard Template program, the button at the top of the page will say “enable content” and “enable macros.” Excel will prompt you and ask you if you want to enable these. Please enable them so the template can work for you. This wizard was again designed so that it streamlines the invoice process for you. So if you enable these features, it will help mitigate any problems that you may have. The first page is just basically the school's information.

Slide 8 – Invoice Wizard (part 2)

(13:02)

As shown here, if you simply type in your CDS code as shown in this example, it will actually prompt your school right away and put in your school's information. If it doesn't or if there is some little glitch, definitely type in your school's name as well as the contact person, phone number, email address of the best person to get in touch with or the person designated to complete the invoice list. Also you'll need to write down the facilities claiming reimbursement. This is to help us understand which facilities are needing the most amount of repair, sometimes some schools submit multiple facilities and we need to make sure that each of those facilities are eligible under our program. You will need to make sure that each of the invoices that you submit identifies the facility which incurred the expense. Once you have completed this first introduction page, all you have to do is hit the, “NEXT”, button and it will take you to the next section.

Slide 9– Invoice Wizard (part 3)

(14:13)

This section is where schools can enter invoices line-by-line. We will ask schools to first take your invoice packet, scan it into your system, and the PDF pages that are developed from that scan will go here. Say the very first page was the second page of my invoice, I would just put it right here. Place the invoice number, date the invoice occurred, and the vendor. The facility drop down is in reference to this facility right here, so if this school had the projects occur on it or you bought materials for that school, you would just want to select the correct school. The project description is a brief description of what the project was for, and then the drop



down includes the categories that I mentioned before, deferred maintenance, common areas, etc. Projected cost for the project or invoice and any other comments that you may have. You don't need to fill out this section here over to the right. This will be for the authority's use only.

Slide 10 – Invoice Instructions (part 1)

(15:32)

Just to give you a clear idea of what we require for each invoice. The invoice must clearly state the date of service, that is between July 1st, 2014, to June 30th, 2015. And this will be what we view as the completed project. Not the day that you may have paid for the invoice but the day that the invoice was actually issued to the school because that means the project was completed. The vendor, the project description, and the location of the project completed. These are the things that we ask that are on the invoice itself. Now sometimes on the invoice the vendor may have been a little more ambiguous and not said exactly which facility he was working on so if that's the case simply write on it and you can just state which facility it was for and it was for a classroom or a bathroom, etc. Now sometimes just receive receipts or bank statements showing these costs were incurred for a project, and that's fine as well. We prefer the invoices if they are available but sometimes when you purchase materials or other things you may not have the invoice for. You can resend the receipts or bank statements showing the costs incurred but we ask that each one shows a brief description and location of the project. Was it in a classroom, or bathroom? Which facility was it for? That should clearly be stated either on a separate piece of paper or with the receipt itself.

Slide 11 – Invoice Instructions (part 2)

(17:12)

Just as an example, here is an invoice we received. The vendor is right here: Gil's Electric, Co., invoice number is to the right. Date of completion, which was August 6th of 2013. And the project's location, which has been blocked out but it would show the school's address or the school that it occurred on. Sometimes schools share the same campus so you would want to specify was it for the high school or elementary school. We see here that this was an installation. Finally we have a requested cost.

Slide 12 – Invoice Instructions (part 3)

(17:58)

So here is a small example of completing the Invoice Wizard. I have changed the invoice date to 2014 just because this is for 2014. The facility is F1, so this school's facility only had one facility so they selected F1. If they had multiple facilities, they would want to specify so they can drop it down to F2 or 3, as was represented on the first page. A brief description of the project and the cost. Then they are done and able to move on to the next item.

Slide 13 – Invoice Instructions (part 4)

(18:42)

This is a completed request. There are a hundred line items that you can create. If you need to do more than a hundred, I recommend creating a whole new template. You can submit two. That's fine. But you can put at least a hundred line items in here and as you can see here sometimes these invoices occur on multiple pages. That's fine. Also we accept receipts. So you just put the word "receipt". Now what is very important is each of these has to be individual. There cannot be duplicates. So if you have an invoice number and it is the same, you'll need to somehow differentiate it. You can put the letter A or you can put dash one just to differentiate it from another line item. For example here we have "Receipt-1" and "Receipt-2". Obviously both of these were receipts and they are differentiated because this is the first one and there's the second one so they just put that number one and number two in there. Also as you can see here this item got highlighted in red. If you ever see that occur that is because it is an invoice that falls out of the spectrum of eligibility. We are unable to reimburse this invoice for Kelly Moore Paint because it occurred prior to the fiscal year we are awarding for.

Anne Osborne: And what is the fiscal year? We have had questions about that.

Ian Davis: The fiscal year is July 1st, 2014, to June 30th, 2015. Now we are asking that these invoices be submitted by May 1st, but we understand that there may be additional costs that may occur during summer



projects. So if you have any additional costs that occur after May 1st, simply email those or let us know that you are going to have additional costs and submit it to us as soon as possible. Again, we will most likely begin awarding in late June early July, so if you expect additional costs in late June, please let us know right away so we don't award you too early. But if that's not going to be the case, simply send it in all invoices May 1st because we want to start reviewing as many invoices as we can and begin processing the schools that are complete and eligible for disbursement. In the end you will be submitting these invoices is through email. You can say it in the email box "I anticipate additional invoices within the month of May and June so please hold off my final disbursement until I have submitted all of my invoices to you. We have Instructions page similar to the presentation so anytime you have questions, click on this button and it will take you to the introduction page of the Excel document. As well as later on we will be adding an FAQ button that will resemble the FAQ questions asked today or in the future. These will be available in the future revisions of this document. So when you are ready, all you have to do is hit the green button, "Approve."

Slide 14 – Invoice Instructions (part 5)

(22:18)

The Approve button will take you to the Expenditure Report where your school's information and invoice information will populate expenditure amounts for remodeling, deferred maintenance, installation, materials, maintaining/repairing common areas recorded on the Invoice template. If you see any errors email us and we will help you work through that but generally there shouldn't be any problems with this. When you are completely ready submit the Expenditure Report signed by either the principal, CEO or lead administrator, any of these three. Follow the steps over here, first one, review it. The second one is a button. If you click here it will begin to print the document, just this one-page document. Have the principal, CEO sign it, scan it back into the computer, and then you are ready for emailing it; the blue button titled "Email Excel Spreadsheet and attach scanned Signature page" is the final step for submitting the Invoice Wizard.

Slide 15 – Invoice Template Submission

(23:31)

Once you click this (blue button), you will be prompted to -- and this is only if you have Outlook -- you will be prompted to this screen. So you will send an email and it will already have the "To: CSFA" in there, show your school's name under the subject and it will have in the attached folder the invoice spreadsheet. Please also include that signed report that you just printed as well as the invoice packet. Now sometimes there are bandwidth issues or things like that so if you need to send multiple emails that is fine. Just make sure that you are submitting it to CSFA and that you include your school's name. You can just simply put this into one PDF. The Invoice packet can be a couple hundred pages, that's fine. And when you are ready, you can hit "send." Now for example your school doesn't utilize Outlook. That's fine. You can simply do the same process just through your email service, whether it be G-mail or some personalized school service. All you have to do is click on this link, CSFA@Treasurer.ca.gov, and it will prompt you to your email service of choice. Just make sure to attach this completed template that you have already saved on to your desktop or documents as well as the Signature page as a PDF signed by the CEO, principal or lead administrator of the school. And of course the invoice packet. So now you are done. You have completely submitted your invoices.

Slide 16 – Upcoming Dates

(24:55)

Right now we would just like to discuss with you some upcoming dates. We will have an application webinar to highlight both the regulation changes that have occurred within our program and were approved by the Board. These Regulations are now routing through the Office of Administrative Law. And we will be hosting that through 10:00 a.m. to 11:00 a.m. on April 9th. You can go to our website right now to sign up for that. Also we anticipate having the application available in April. Most likely by April 9th we will have a firm date of when that application will be available as well as a deadline date. On May 1st, 2015, all the invoices should be due. Again, if you have additional invoices that may occur between May 1st and June 30th just let us know early so we don't award you early.



Slide 17 – ListServ

(25:51)

If you would like, you can go to our main website page <http://www.treasurer.ca.gov/csfa/> and sign up to receive CSFA information through our ListServ. You simply click on the highlighted link, [Sign Up to receive CSFA information](#), to sign up. This will prompt you to any additional webinars that we may have, regulation updates, Board meetings that are upcoming, as well as any other changes or upcoming programs we may have. So I highly recommend signing up for that as soon as possible.

Slide 16 – Contact Information

(26:20)

Again, our contact information is here. Both myself, Ian, and Anne are the SB740 leads. If you have any questions for the SB740 program, you can contact us. However, we recommend that if you have any invoice questions you direct them to the CSFA@treasurer.ca.gov that way we can gather all questions and respond to those through the FAQ. There have been several questions asked of us in the webinar and we will be getting back to you on those very shortly and posting those in an FAQ that will be posted both on our website as well as email to each of you. Again, if you were late or missed a few slides, that's fine. We will be posting the recording, the PowerPoint presentation, and a transcript of the entire presentation on our website within two weeks as well as the FAQ. Thank you so much for coming and have a wonderful day.