

RESOLUTION NO. 11-40

**RESOLUTION APPROVING AMENDMENTS TO
THE REGULATIONS FOR THE CHARTER SCHOOL FACILITIES PROGRAM AND
AUTHORIZING THE RULEMAKING PROCESS**

October 12, 2011

WHEREAS, the Charter School Facilities Program (Program) was enacted for the purposes of constructing, acquiring or renovating new facilities for site-based charter school students; and

WHEREAS, Education Code section 17078.57 states that the Authority shall adopt regulations establishing uniform terms and conditions that shall apply equally to all facility projects seeking Program funding; and

WHEREAS, Program lease payments may be made using the intercept mechanism identified in Section 17199.4 of the Education Code, to intercept a recipient's state-aid portion of its General Purpose Block grant at regular intervals to satisfy its payment obligations under this Program; and

WHEREAS, the Authority is proposing to implement amendments to the Charter School Facilities Program regulations, including but not limited to: adding definitions for clarifying terms; consolidating sections relating to preliminary, advance, and final apportionment review; consolidating sections relating to financial soundness determination; allowing for the Authority to require the intercept mechanism pursuant to Education Code Section 17199.4 for payment of the local matching share; clarifying that the applicant may include a charter school operator, or any entity that sponsors or applies on behalf of a charter school; clarifying that the Authority's determination of financial soundness shall be valid for a period of six months and meets the Office of Public School Construction's definition of certification of current financial soundness; clarifying that the Authority is no longer required to conduct site visits for charter schools located outside the jurisdictional boundaries of a chartering school district; clarifying the requirement of execution of Program agreements as a condition for release of funds; setting forth the requirement that all recipients be required to establish a separate and distinct account for deposits of all Program loan proceeds and that Authority may require reporting on such accounts; requiring notice to the Authority of material changes within 30 days of such changes; and other changes to conform with statutory requirements and clarify Program requirements.

NOW, THEREFORE, BE IT RESOLVED by the California School Finance Authority as follows:

Section 1. The proposed amendments are hereby adopted and approved.

Section 2. The Executive Director is hereby authorized and directed to take such actions, including making or causing to be made such changes to the regulations and such steps to the rulemaking process as may be required for approval of the regulations by the

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Office of Administrative Law, and to execute and deliver any and all documents and take any and all steps that the Executive Director may deem necessary or advisable in order to effectuate the purposes of this resolution.

Section 3. This resolution shall take effect immediately upon its approval.

Date of Adoption: October 12, 2011

CERTIFICATE OF THE EXECUTIVE DIRECTOR
(Attesting to Action of the Authority)
Sacramento, California

I, Katrina Johantgen, Executive Director of the California School Finance Authority, hereby certify that the foregoing is a full, true, and correct copy of Resolution No. 11-40 of the California School Finance Authority **Resolution Approving Amendments to the Regulations for the Charter School Facilities Program and Authorizing the Rulemaking Process**, adopted at a meeting of the California School Finance Authority held at 915 Capitol Mall, Conference Room 587, Sacramento, California 95814, on October 12, 2011, for which meeting all of the members of said Authority had due notice; and that at the meeting the staff recommendation was adopted by the following votes:

AYES: Patricia Wynne, designee for Bill Lockyer, State Treasurer
Nick Schweizer, designee for Ana J. Matosantos, Director of Finance

NOES:

ABSTAINS:

ABSENT: Kathleen Moore, designee for Tom Torlakson, Superintendent of
Public Instruction

I further certify that the original minutes of said meeting and a copy of the original Resolution adopted at said meeting are on file in the California School Finance Authority office; and that the Resolution has not been amended, modified, or rescinded in any manner since the date of its adoption, and the same is now in full force and effect.

IN WITNESS WHEREOF, I have executed this certificate and affixed the seal of the California School Finance Authority hereto.

(seal)

October 12, 2011

Katrina Johantgen, Executive Director