

RESOLUTION NO. 15-35B

APPROVAL OF FINANCIAL SOUNDNESS DETERMINATION FOR THE CHARTER SCHOOL FACILITIES PROGRAM FOR FINAL APPORTIONMENT– ROSELAND CHARTER SCHOOL (ROSELAND UNIVERSITY PREP PROJECT)

October 23, 2015

WHEREAS, the California School Finance Authority (Authority) is authorized by Education Code section 17078.57 to determine whether applicants to the Charter School Facilities Program (Program) are financially sound for purposes of the Program at the time of preliminary, advance, and final apportionment;

WHEREAS, on June 27, 2011, the Authority determined that Roseland Charter School (Roseland), for Roseland's University Prep project, was financially sound for a Preliminary Apportionment of \$13,470,182 through the Proposition 1D-2009 funding round of the Charter School Facilities Program, and at its July 12, 2011 meeting, the State Allocation Board (Board) awarded Roseland a Preliminary Apportionment of \$13,470,182; and

WHEREAS, on April 25, 2012, the Authority found Roseland financially sound for Advance Apportionment for design and site acquisition, and the Office of Public School Construction (OPSC) issued Roseland an Advance Apportionment of \$1,235,176 for design on May 31, 2012 and an Advance Apportionment for site costs of \$1,370,720 on June 19, 2013; and

WHEREAS, on April 15, 2015, the Authority found Roseland financially sound for Final Apportionment in the amount of \$14,167,432 and a local matching share of \$7,083,716, which Roseland will fulfill through a 30 year loan agreement with the State; and

WHEREAS, in August 2015, additional bond authority was made available for the Program, and the Office of Public School Construction determined that Roseland is eligible for additional project costs in the amount of \$3,203,728, resulting in total project costs of \$17,371,160, provided Roseland make a lump-sum towards to the local matching share for the additional costs; and

WHEREAS, Roseland has agreed to make a lump-sum payment of \$1,601,864 towards the local matching share; and

WHEREAS, the Authority staff has determined that the additional project costs do not materially affect its determination of financial soundness for Final Apportionment, and that its financial soundness determination still stands; and

WHEREAS, this determination of financial soundness is contingent upon Roseland fulfilling its local matching share obligation through an annual Program payment to be intercepted by the State Controller's Office and paid to the State.

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

Section 1. That Roseland has maintained its financial soundness for purposes of the Program, specifically with regard Final Apportionment for total project costs in the amount of \$17,371,160.

Section 2. No Program funds be disbursed for Roseland until the following conditions are met: 1) Roseland elects to fulfill its local matching share obligation through the intercept process provided pursuant to Education Code section 17199.4; and 2) there are no material legal, financial, or operational changes affecting Roseland's financial soundness prior to disbursement.

Section 3. This determination as it relates to Final Apportionment is in place for six months and assumes no financial, operational, or legal material findings within this time period.

Section 4. The Executive Director of the Authority is hereby authorized, for and on behalf of the Authority, to notify the Board, and provide supporting documentation, that Roseland has maintained its financial soundness for purposes of the Program and Final Apportionment.

Section 5. The Executive Director of the Authority is hereby authorized, for and on behalf of the Authority, to execute the Program agreements between the State and Roseland prior to any release of funds.

Section 6. This resolution shall take effect immediately upon its approval.

Date of Adoption: October 23, 2015