

TEXT OF REGULATIONS

CALIFORNIA CODE OF REGULATIONS

Title 4, Division 15

California School Finance Authority

Article 3, Charter School Facilities Credit Enhancement Grant Program

Section 10193. Definitions.

For the purposes of this Article, the words and phrases defined in section 17173 of the Education Code shall have the same meaning as described therein. In addition, the following words and phrases shall have the meaning as described below:

- (a) "API" shall mean the Academic Performance Index summarizing a school's performance on the Standardized Testing and Report Program and California High School Exit Examination tests, as reported by the California Department of Education.
- (b) "Applicant" shall mean the Charter School, school district, or educational management organization applying on behalf of a Charter School for an award under this Article.
- (c) "Application" shall mean a completed Application for financing as defined and developed by the Authority and available on its website, and all other documents required to be submitted to the Authority.
- (d) "Awardee" means an Applicant awarded program funds on behalf of a Charter School.
- (e) "Charter School" shall mean a school established pursuant to Education Code section 47600 et seq. and also meets the federal definition of Charter School as defined in section 5210(1) of the Elementary and Secondary Education Act of 1965 (20 USCA section 7221(i)), as amended by the No Child Left Behind Act of 2001.
- (f) "Charter Authorizer" shall mean the governing board of the school district, county board of education, or the State Board of Education, that granted a school's petition to become a Charter School pursuant to Education Code section 47605.
- (g) "Financing" shall mean one or more series of conduit bonds issued by the California School Finance Authority within a 60-day period to finance the Applicant's project pursuant to the same plan of financing with bond repayment expected to be from substantially the same source of funds.
- ~~(g)~~ (h) "Program" means the Charter School Facilities Credit Enhancement Grant Program(CFDA #84.354A).

Note: Authority cited: Sections 17179 and 17180, Education Code.

Reference: Sections 17173, 17180, 47605 and 47612.5 (e)(1), Education Code.

Section 10195. Eligible Use of Program Funds and Maximum Award.

- (a) Program funds must be applied toward funding the primary debt service reserve requirement for debt issued by or through the Authority for an Awardee to acquire, renovate or construct Charter School facilities, or refinance existing Charter School

facility debt.

- (b) The Authority may make awards of up to up to maximum annual debt service per Financing, with an award dollar limit of \$2,000,000, \$1,500,000 per Application for uses listed in subdivision (a) above.
- (c) The term of repayment for any financing in conjunction with a Program award, pursuant to this Article, shall not exceed the useful life of the financed asset.
- (d) The grant award shall be held in trust by the Authority or an Authority approved financial institution, solely for authorized purposes and shall not be released to Awardees without the Authority's or trustee's approval. As deemed appropriate by the Authority, conditions for release of the Program funds throughout the term of the financing will be determined by the Authority, in collaboration with all lending parties, prior to closing of the financing.
- (e) Awards of a reservation of funds shall be released and returned to the Authority when the funds are no longer needed for the authorized purposes.
- (f) Awards of a reservation of funds will expire if the Awardee does not use the awarded funds within six months of Authority approval. Exceptions may be granted by the Authority.

Note: Authority cited: Sections 17179 and 17180, Education Code.

Reference: Section 17180, Education Code.