

**TEXT OF REGULATIONS
CALIFORNIA CODE OF REGULATIONS
Title 4, Division 15, Article 4
California School Finance Authority
Project Acceleration Notes and Credit Enhancement
Alternatives (PANACEA) Program**

Section 10200.1 Definitions.

The following words and phrases shall have the meaning as described below:

- (a) "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.
- (b) "Authority" shall mean the California School Finance Authority.
- (c) "Awardee" shall mean an Applicant awarded program funds on behalf of a Charter School.
- (d) "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.
- (e) "Charter School Facilities Program" (CSFP) shall mean the program established pursuant to Article 12 of Chapter 12.5 of Part 10 of the Education Code and jointly administered by the Authority and the Office of Public School Construction (OPSC).
- (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) "Conduit Financing Program" or "Non-CSFP" shall mean the Authority's financing program established through Education Code 17180, et. seq.
- (h) "ESEA" shall mean the Elementary and Secondary Education Act of 1965 (20 USCA section 7221(i)).
- (i) "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.
- ~~(j)~~ (i) "NCLB" shall mean the No Child Left Behind Act of 2001.
- ~~(j)~~ (k) "PANACEA Program Application" shall mean Form CSFA 07-01 (rev. September 2018), incorporated herein by reference.
- ~~(k)~~ (l) "Program" shall mean the Project Acceleration Notes and Credit Enhancement Alternatives (PANACEA) (CFDA #84.354A).

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

Reference: Sections 17173, [17180](#), 47600 et seq., 47605, and 47612.5-(e)(1), Education Code.

Section 10200.3 Award Allocation and Eligible Use of Program Funds.

- (a) The Authority may make awards of up to maximum annual debt service per Financing, with an award dollar limit of \$2,000,000 ~~\$1,000,000 per Application~~ for

uses listed in subdivision (b) below.

- (b) Program funds may be applied towards funding the primary debt service reserve requirement for: (1) interim financing associated with a CSFP project; or (2) debt associated with the acquisition, renovation, construction and / or refinancing of charter school facilities.
- (c) 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.
- (d) 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.
- (e) Awards of a reservation of funds will expire if the Awardee does not use the awarded funds by closing the financing 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.