

## RESOLUTION NO. 20-11

### RESOLUTION APPROVING THE CHARTER SCHOOL REVOLVING LOAN FUND PROGRAM FUNDING RECOMMENDATIONS

MAY 4, 2020

**WHEREAS**, in February 2020, the California School Finance Authority (Authority) received 30 timely applications for the 2019-20 Funding Round of the Charter School Revolving Loan Fund Program (Program), with funding requests totaling \$7.35 million; and

**WHEREAS**, pursuant to California Education Code Section 41365(d), and California Code of Regulations Section 10170.18 and 10170.20, Authority staff conducted evaluative reviews of each applicant's Program eligibility, as well as operational and financial indicators; and

**WHEREAS**, the Authority identified 16 applicants that were higher-preference priority one (P1) schools, new schools opening in 2020-21, and 14 as priority two (P2) schools, schools which are already in operation; and

**WHEREAS**, the Authority generally funds priority one schools before priority two schools, in light of the COVID-19 pandemic and the economic impact it is having on schools, staff is bringing priority two schools to the board for funding consideration, as these reviews have been finalized; and

**WHEREAS**, the staging of priority two schools before priority one schools is uncommon, it will not impact priority one schools as there is ample program funding to award all priority one and priority two applicants; and

**WHEREAS**, of the 14 priority two applications, the Authority deemed two applications ineligible and completed analyses of the remaining 12 schools, listed in Exhibit A – *Charter School Revolving Loan Fund Program P2 Schools*, and has found these schools meet the criteria for a loan through the Program; and

**WHEREAS**, this approval is not a guarantee of a loan award, as loan proceeds will only be disbursed after applicants meet all funding criteria.

**NOW, THEREFORE, BE IT RESOLVED** that

**Section 1.** The Authority approves loan awards to these 12 eligible schools in the amounts listed in Exhibit A – RLF Board Matrix, totaling \$2.85 million.

**Section 2.** The Executive Director of the Authority, is hereby authorized and directed to: 1) take all steps necessary with respect to the Loan Recipient including notifying the Loan Recipient whether its Application has been approved for funding, preparing and executing the final form of Loan Agreement and disbursing Program funds pursuant to the Loan Agreement and the Authority's Regulations; 2) draw money from the Fund, not to exceed the amount approved by the Authority for the Loan Recipient; 3) execute and deliver to the Loan Recipient any and all documents necessary to complete the transfer of Program funds; and 4) undertake any and all actions to execute and deliver any and all documents

that the Executive Director deems necessary or advisable in order to effectuate the purposes of this resolution approved by the Authority.

**Section 3.** Applicants will comply with all funding criteria prior to any funds being released. Failure to comply with funding criteria may result in loan funding recommendations being rescinded.

**Section 4.** This resolution shall take effect immediately upon its approval.

Date of Adoption: May 4, 2020