

California School Finance Authority

State Charter School Facilities Incentive Grants Program (CFDA #84.282D)



Thursday, March 20, 2019

10:00-11:00 a.m. PDT

Housekeeping



For technical issues, contact GoToWebinar (GoToMeeting) at 1-800-263-6317 or <http://support.citrixonline.com/gotomeeting/>

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Questions will be documented and answers will be distributed to all attendees within ten business days.

Agenda



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- Program Overview
- New for Round 15
 - Regulation Changes and FI\$CAL and STD Form 204
- Mechanics
 - Program Eligibility
 - Preference Points
 - Maximum Grant
 - Eligible/Ineligible Costs

Overview



- U.S. Department of Education Grant
- Rent, lease, mortgage, or Prop. 39 pro-rata payments
- Purchase, construction, or renovation
- Assists schools that demonstrate need and readiness
- Cannot exceed 75% of eligible annual facility costs
- Final funding round under this federal grant

New for Round 15

Program Regulation Changes

- Section 10177 Eligible Applicant
 - Updated to prohibit charter schools, charter management organizations, education management organizations, or any operator of a charter school from being for-profit
- Sections 10178 Eligible Applicant and 10179 Maximum Grant
 - Addition/deletion of language prohibiting/allowing charter schools to receive lease or renovation costs under the Charter School Facility Grant Program (SB740) and this Program for the same site or project

New for Round 15

- Section 10182 Evaluation Criteria
 - Clarifying language has been added under the school choice preference point calculation. New language states that "...a minimum of 50% of the same grade levels assessed..." must be met to be given the points
- Anticipate that new regulations will be in place for this funding round, with approval of the Office of Administrative Law

FI\$CAL and STD Form 204

- State Controller's Office uses this form to determine the award recipients name and mailing address
- Must submit a form if a new applicant
- Must submit new form if applicant wishes to change:
 - School's name, mailing address, or FEIN
- If the school's name is different that what is listed on their FEIN
 - FEIN name: ABC Charter, Inc.
 - School Name: ABC Charter School
 - **204 Form Payee:** ABC Charter, Inc. d.b.a ABC Charter School
- Same naming convention applies to schools operating under a **parent organization**

Program Eligibility



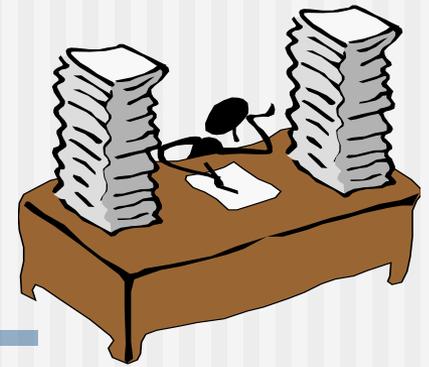
- Charter in place
- In good standing with its chartering authority and is in compliance with the terms of its charter
- Classroom-based instruction (at least 80%)
- Completed at least one year of operations at time of application
- School established pursuant to state and federal definitions of a charter school
- Must be a non-profit entity or affiliated with a non-profit entity

Program Eligibility



- School admits students by lottery if oversubscribed
- A district-dependent charter school can apply if it can demonstrate operational and financial autonomy from its authorizing district
- Demonstrated eligible costs – previous or current year may be used
- In compliance with all other programs administered by CSFA
- School cannot be a current sub-grantee under the Program
 - Current subgrantees whose grant expires on August 31, 2019 are eligible to apply

Preference Points



- Zero to 150 points assigned
 - 150 Total Points for Round 15
- Six point categories
 - Low-Income (0 to 60)
 - Overcrowding (0 or 10)
 - Non-Profit (0 or 20)
 - Student Performance (0 or 20)
 - School Choice (0 to 20)
 - First Time Awardee (0 or 20)
- If data not available, points not assigned

Maximum Grant Calculator



- “Lesser-of-two” calculation
 - \$750 per pupil for rent or \$1,000 per pupil for construction/purchase; **OR**
 - 75% of facility costs
- Maximum annual awards of \$250,000 for rent and \$500,000 for construction for up to 3 years
- Construction/purchase award can be drawn down in the first year

Round 15 Funding Round



- Available funding approximately \$11 million
- Application currently open and available online
- Applications due by **5:00pm on April 19, 2019**
- Funding determination in early August
- Anticipate grant agreements executed in September

Eligible Costs



- Base rent, lease, mortgage, debt service, and/or Proposition 39 pro-rata payments for existing or new facilities;
 - Grant Funds Disbursed in 36 Equal Monthly Disbursements

OR

- Purchase, acquisition, design, construction, or renovation of a facility
 - Disbursements made as eligible costs are submitted to and approved by CSFA
- May be used to pay current and future facilities costs, for up to a three-year period

Eligible Costs



- Construction/Renovation Awards
 - Grant funds are disbursed in arrears and are submitted to the Authority with certified labor forms and invoices
 - Davis Bacon Prevailing Wage must be paid on the entire project
 - Project = project description submitted at time of application and as approved by the Authority's Board
 - All non-administrative labor must meet Davis Bacon Prevailing Wage requirements (federal and State requirement)
 - Authority staff review certified labor forms to ensure Davis Bacon Prevailing Wage requirements have been met

Ineligible Costs



- Costs incurred prior to the date of the grant award (September 1, 2019)
- A school district's cost of providing a charter school with a facility
- Overhead or other administrative costs
- Charter School Facilities Program (CSFP) payments to the State (used to satisfy a CSFP recipient's local matching share)

Ongoing Grant Requirements

All Subgrantees:

- Semi-annual certifications
 - Due February 28 and August 31 each year
 - Current, valid charter
 - Current, executed lease, if applicable
 - Certification letter; requires wet signature
 - Audit (February certification period)
 - Good Standing Letter from charter authorizer
 - Legal Status Questionnaire; requires wet signature
 - System for Award Management (SAM) registration

Ongoing Grant Requirements (cont.)

- Failure to meet the semi-annual certification requirements will result in a loss of funding, as follows:
 - Failure to meet either deadline will result in the loss of the first monthly disbursement of that certification period.
 - Failure to submit the required documentation within 30 calendar days following either deadline will result in the loss of the remaining five monthly disbursements for that certification period.
 - Failure to meet two consecutive certification periods will result in the subgrantee being declared ineligible to receive all remaining disbursements under the grant program.
 - The forfeited funds cannot be disbursed retroactively and will immediately revert back to the Authority.

Construction/Renovation/Purchase

- Awardees are required to drawdown one-third of the total grant award annually
- Unspent funds revert to the Authority

Example			
<u>3-Yr Award</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
\$750,000			
	\$250,000		
		\$250,000	
			\$250,000

Reminders



- Round 15 Applications Due by 5:00 P.M. on April 19, 2019. Late applications will not be accepted.
- Program Regulations, FAQs, and Webinar Presentation will be posted online at:
<http://www.treasurer.ca.gov/csfa/incentive.asp>
- SB 740 Webinar will be hosted on Wednesday, May 15 at 10:00 A.M with applications released in late April and due late May.

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