

Charter School Facility Grant (SB740) Program

Annual Funding Round Webinar
2026-27 Funding Round
April 13, 2026 @ 11 a.m.

Opening Remarks: Katrina Johantgen, Executive Director
Elizabeth Mendez, Program Lead
Speakers: Kim Nguyen, Program Analyst
Daniel Madrid, Program Analyst

Housekeeping

Please complete and consider the following:

- Mute microphones and turn cameras off
- Limit questions to the 2026-27 Funding Round and its application
- Most questions will be responded to via email after the presentation
 - Please enter your 2026-27 questions in the chat or email your questions to SB740@treasurer.ca.gov
- The Application Portal is open
 - The Portal is located on the SB740 Website



Purpose and Takeaways

The California School Finance Authority has administered the Charter School Facility Grant (SB740) Program since 2013-14

- The SB740 program provides grant funding to eligible charter schools to help reimburse facility rent or lease costs; and other facility related costs
- Schools must submit a new application each year for every funding round
- Prior funding rounds have been oversubscribed
- Program funding allocation is annually appropriated
- Maintain a strong relationship with your authorizer

This webinar is informational only - program criteria should be evaluated in writing with Authority staff.



Table of Contents

1. Program Overview
2. Eligibility and Best Practices
3. Accounting Forms
4. Application Overview
5. Facility Agreements
6. Independent Appraisals
7. Reimbursable Lease Costs
8. Data and Statistics
9. Upcoming Events
10. Appendix: Reference Materials
11. Contact Information



Program Overview

Program Funding:

- 2026-27: \$190,911,000*
- 2025-26: \$181,733,000
- 2024-25: \$168,040,000

Assist Charter Schools:

- At least 55% students meeting Free and Reduced Priced Meals (FRPM) criteria; or
- Located in attendance area of an elementary school with at least 55% FRPM along with preference in admission

**Per the Governor's 2026-27 proposed budget*



Program Overview (Continued)

Funding Formula – Lesser of the following:

- \$1,504* x Average Daily Attendance (ADA); or
- 75% of eligible costs associated with rent/lease cost (Eligible Lease Costs)

Example:

- XYZ Charter's P-2 ADA is 50.54 and the Eligible Lease Costs are \$60,000
 - 2026-27 ADA Cap: **\$76,012.16** ($50.54 \times \$1,504$)
 - 2026-27 Eligible Lease Cost Cap: **\$45,000** ($\$60,000 \times 75\%$)
- XYZ Charter's Award is projected be \$45,000, *assuming no oversubscription*

**Estimated 2.41% COLA per the Governor's Proposed 26-27 Budget*



Eligibility and Best Practices

Eligible Costs

- Facility costs associated with sites not owned by either a School District or County Office of Education (not located in a district/Prop 39 facility)
- Costs associated with rent and lease costs (no other facility costs this funding round)

Good Standing

- Compliance with charter agreement; No pending corrective actions or notice of intent to revoke;
- If good standing is restored by the end of the fiscal year, Applicant will be eligible;
- No response from Authorizers will be presumed as acknowledgment of Good Standing

Legal Status Questionnaire

- Applicant must disclose any past or current legal, civil, criminal or regulatory investigations
- Including signed certification that data and information reported is true and correct and charter will continue to comply with state and federal laws

Form 700

- Applicants with New Facility Agreement must submit List of School Officials and Form 700 for each member in the List of School Officials

Not-for-Profit Status

- Applicants must operate as a not-for-profit entity



Payee Data Record Form 204

Payee Data Record Standard Form 204 (STD. 204)

- All Awardees must submit STD. 204
- The form is used to add/update the awardee information to the Financial Information System for California (FI\$Cal)
- Available on the CA Department of General Services Website
- <https://www.documents.dgs.ca.gov/dgs/fmc/pdf/std204.pdf>

STATE OF CALIFORNIA – DEPARTMENT OF FINANCE
PAYEE DATA RECORD
(Required when receiving payment from the State of California in lieu of IRS W-9 or W-7)
STD 204 (Rev. 03/2021)

[Print Form](#) [Reset Form](#)

Section 1 – Payee Information

NAME (This is required. Do not leave this line blank. Must match the payee's federal tax return)

BUSINESS NAME, DBA NAME or DISREGARDED SINGLE MEMBER LLC NAME (If different from above)

MAILING ADDRESS (number, street, apt. or suite no.) (See instructions on Page 2)

CITY, STATE, ZIP CODE **E-MAIL ADDRESS**

Section 2 – Entity Type

Check one (1) box only that matches the entity type of the Payee listed in Section 1 above. (See instructions on page 2)

<input type="checkbox"/> SOLE PROPRIETOR / INDIVIDUAL	<input type="checkbox"/> CORPORATION (see instructions on page 2)
<input type="checkbox"/> SINGLE MEMBER LLC Disregarded Entity owned by an individual	<input type="checkbox"/> MEDICAL (e.g., dentistry, chiropractic, etc.)
<input type="checkbox"/> PARTNERSHIP	<input type="checkbox"/> LEGAL (e.g., attorney services)
<input type="checkbox"/> ESTATE OR TRUST	<input type="checkbox"/> EXEMPT (e.g., nonprofit)
	<input type="checkbox"/> ALL OTHERS

Section 3 – Tax Identification Number

Enter your Tax Identification Number (TIN) in the appropriate box. The TIN must match the name given in Section 1 of this form. Do not provide more than one (1) TIN. The TIN is a 9-digit number. **Note:** Payment will not be processed without a TIN.

- For **Individuals**, enter SSN.
- If you are a **Resident Alien**, and you do not have and are not eligible to get an SSN, enter your ITIN.
- Grantor Trusts (such as a Revocable Living Trust while the grantors are alive) may not have a separate FEIN. Those trusts must enter the individual grantor's SSN.
- For **Sole Proprietor or Single Member LLC (disregarded entity)**, in which the sole member is an individual, enter SSN (ITIN if applicable) or FEIN (FTB prefers SSN).
- For **Single Member LLC (disregarded entity)**, in which the sole member is a business entity, enter the owner entity's FEIN. Do not use the disregarded entity's FEIN.
- For all other entities including LLC that is taxed as a corporation or partnership, estates/trusts (with FEINs), enter the entity's FEIN.

Social Security Number (SSN) or Individual Tax Identification Number (ITIN)

_____ - _____ - _____

OR

Federal Employer Identification Number (FEIN)

_____ - _____ - _____

Section 4 – Payee Residency Status (See instructions)

CALIFORNIA RESIDENT – Qualified to do business in California or maintains a permanent place of business in California.

CALIFORNIA NONRESIDENT – Payments to nonresidents for services may be subject to state income tax withholding.

No services performed in California

Copy of Franchise Tax Board waiver of state withholding is attached.

Section 5 – Certification



Payee Data Record Form 204 (Naming)

Payee Data Record (STD. 204) (Continued)

Section 1 - Payee Information

- **Name** - Enter the name that appears on the payee's federal tax return. The name provided shall be the tax liable party and is subject to IRS TIN matching (when applicable).
- **Business Name** - Enter the schools name or DBA name.
 - **Name:** The ABC Charter Company Inc.
 - **Business NAME:** The ABC Charter Academy High School

Name on the federal tax return, STD Form 204, and Applicant Information **MUST be identical as delays in payments will result from unresolved name issues.**

Section 1 - Payee Information

NAME (Must match the payee's federal tax return)

The ABC Charter Company Inc.

BUSINESS NAME, DBA NAME (If different from above)

The ABC Charter Academy High School



Payee Data Record Form 204 (Mailing)

Payee Data Record (STD. 204) (Continued)

Section 1 - Payee Information

- **Mailing Address** - The mailing address is the address where the payee will receive its disbursements.
 - Any changes to the back-office provider or if the school moves location a new STD. 204 will be need.
 - Any changes to the mailing address without notifying and submitting an updated STD. 204 to CSFA can result to payment delays due to misrouted payments.
- **Funds cannot be disbursed until a 204 form has been submitted and approved.**

Section 1 - Payee Information

MAILING ADDRESS

123 ABC Streets

CITY, STATE, ZIP CODE

Los Angels, CA, 90013



Application Overview

- The Online Application is on CSFA's website
<https://www.treasurer.ca.gov/csfa/csfgp/index.asp>
- Application deadline **Monday, August 31, 2026, at 5:00 pm** –
Late Applications will not be accepted
- Only Online Applications will be accepted – if you have technical questions or need support submitting your application, contact the Authority early at SB740@treasurer.ca.gov



Second Application Period

For First Year Charter Schools or School that relocated after the First Application period

- Schools that anticipate beginning operations as a Charter School in the Fiscal Year in which they submit an application; or
- A Charter School relocates from a facility that was ineligible for a grant award to a facility that is eligible, and the Application includes a description of the change in facility circumstances

Thursday, September 10, 2026 at 9:00am:
Open of 2026-27 Second Application period

Thursday, October 15, 2026 at 5:00pm:
Close of 2026-27 Second Application period



Submission Documents

1. Applications should be submitted under the school's name
2. Documents must be a PDF with a maximum file size 25 MB
3. Documents to Submit with Application:
 - Current valid charter agreement/petition;
 - Approved authorizing board resolution regarding petition approval/adoption;
 - List of Board Members;
 - Completed Legal Status Questionnaire (LSQ) and Certification Signature Pages (DocuSign is acceptable); and
 - Other documents such as:
 - Board Meeting Minutes;
 - Resolutions;
 - Facility Appraisals if applicable;
 - Updated Leases if applicable;
 - List of School Officials & their Forms 700 if applicable



Application Overview (Continued)

- All Facility and Lease Agreements must be current and fully executed by all parties
- Each lease agreement should be scanned and uploaded separately

Save by using the following naming convention:

Applicant - Facility Street Address - Term (Ex: XYZ Charter - 123 Main St. – 2022-2027)

- *Important Note: Each facility or rental agreement per facility site should be uploaded separately. Combine any corresponding amendment(s) and original lease as a single document (most recent amendment first).*



Facility Agreements

Type of Facility and Lease Agreements

Multi-year Facility and Lease Agreement

- Any Facility or Lease Agreements unchanged and approved from the most recent funding round – **NO NEED TO RESUBMIT**

New Facility Agreement meets one or more of the following:

- A rental or lease agreement for a facility not previously occupied by the charter school;
- A lease agreement that includes a change in the leased space as compared to the previous year's lease
- A modification of a prior lease agreement with a bona fide change in lessor
- A new agreement for existing facilities or square footage when the existing lease agreement has expired.
- Exception: Options to renew contained in existing rent or lease agreements, on file with the Authority, executed by the Charter School and the Lessor will not be considered a New Facility Agreement.



Facility Agreements Examples

Examples of Facility Agreements



Charter increases/decreases 50 sq. feet	<i>New Facility Agreement</i>	Appraisal and Form 700s Needed
Charter signs a new lease with a new landlord for the same site and square footage		
Charter opens a new site		
Charter signs a new lease due to full expiration of current lease		
Charter exercises a renewal option in last year's lease	<i>Multi-year Agreement</i>	No Appraisal Needed
Charter current lease was submitted and reviewed in prior round		



Form 700

- List of School Officials and each member's Form 700 must be submitted for New Facility Agreement.
 - Per recommendations from the State auditor, and California Code of Regulations section 10170.13, CSFA requests Form 700 ([Statements of Economic Interests - Form 700 | FPPC](#)) for all school officials.
 - As defined in section (v) of Program regulations, “School Official” shall mean any designated board member, officer, or employee listed in the Applicant's approved conflict of interest code and required to submit a Statement of Economic Interests (Form 700) as prescribed by the California Political Reform Act (Government Code Section 87200).
 - Regulations 10170.6 (d) (2) requires the most recent completed and submitted Form 700 from every School Official listed in the most recent and complete list of School Officials.



Independent Appraisal

Appraisal Request: Independent Appraisal will be required based on the following:

- Applicant meets Program eligibility requirements
- Applicant's facility has a New Facility Agreement (facility should already be constructed and occupied by students)

Contents of the Appraisal: The Appraisal shall be consistent with the Uniform Standards of Professional Appraisal Practice (USPAP), and at a minimum contains the following items:

- Certified General Appraiser licensed by the California Department of Real Estate Appraisers;
- The Appraiser shall not be a Related party as defined in section 10170.14(a)(3);
- "Intended Client" shall be the Charter School;
- "User" shall be the California School Finance Authority for Charter School Facility Grant Program eligibility; and
- Provide a Fair Market Rent Analysis including a signed Certification consistent with language found in USPAP.



Award Cap Types

- **COLA Award Cap**
 - FY 26-27 COLA adjustment proposed at 2.41%
 - Calculated based on prior year eligible lease costs
 - *Per Program Regulations Section 10174.4(a)(1)(A), reimbursable facility rent or lease costs do not exceed prior year's reimbursable costs on file with the Authority, subject to an adjustment of the annual COLA Index.*
- **Appraisal Award Cap**
 - Concluded Fair Market Rent value based on appraisal report
 - *Fair Market Rent shall mean the amount of money a property would rent or lease for if it was available at the time the appraisal was conducted.*



Eligible Lease Costs Caps

Example:

XYZ Charter has a lease agreement for 25,000 sq. ft. from 2022-2025.

- XYZ obtains required appraisal for 2022-23
- For 2023-24 and 2024-25, XYZ's lease was capped by COLA increases based on prior year eligible lease costs

XYZ Charter renews the lease agreement for 2025-2026 with an increase of 27,500 square feet

- XYZ obtains required appraisal which was lower than their annual rent and caps the award
- For 2026-27, XYZ's lease was capped by COLA increases based on prior year eligible lease costs

XYZ Charter						
Funding Round	Annual Rent	CAP Type	Appraisal	COLA %	Prior Year Eligible Lease Costs	Current Year Eligible Lease Costs
2022-23	\$100,000.00	Appraisal	\$125,000.00	N/A	N/A	\$100,000.00
2023-24	\$105,000.00	COLA	N/A	8.22% (\$108,220.00)	\$100,000.00	\$105,000.00
2024-25	\$110,000.00	COLA	N/A	1.07% (\$106,123.50)	\$105,000.00	\$106,123.50
2025-26	\$130,000.00	Appraisal	\$129,000.00	N/A	N/A	\$129,000.00
2026-27	\$135,000.00	COLA	N/A	2.41% (\$132,108.90)	\$129,000.00	\$132,108.90



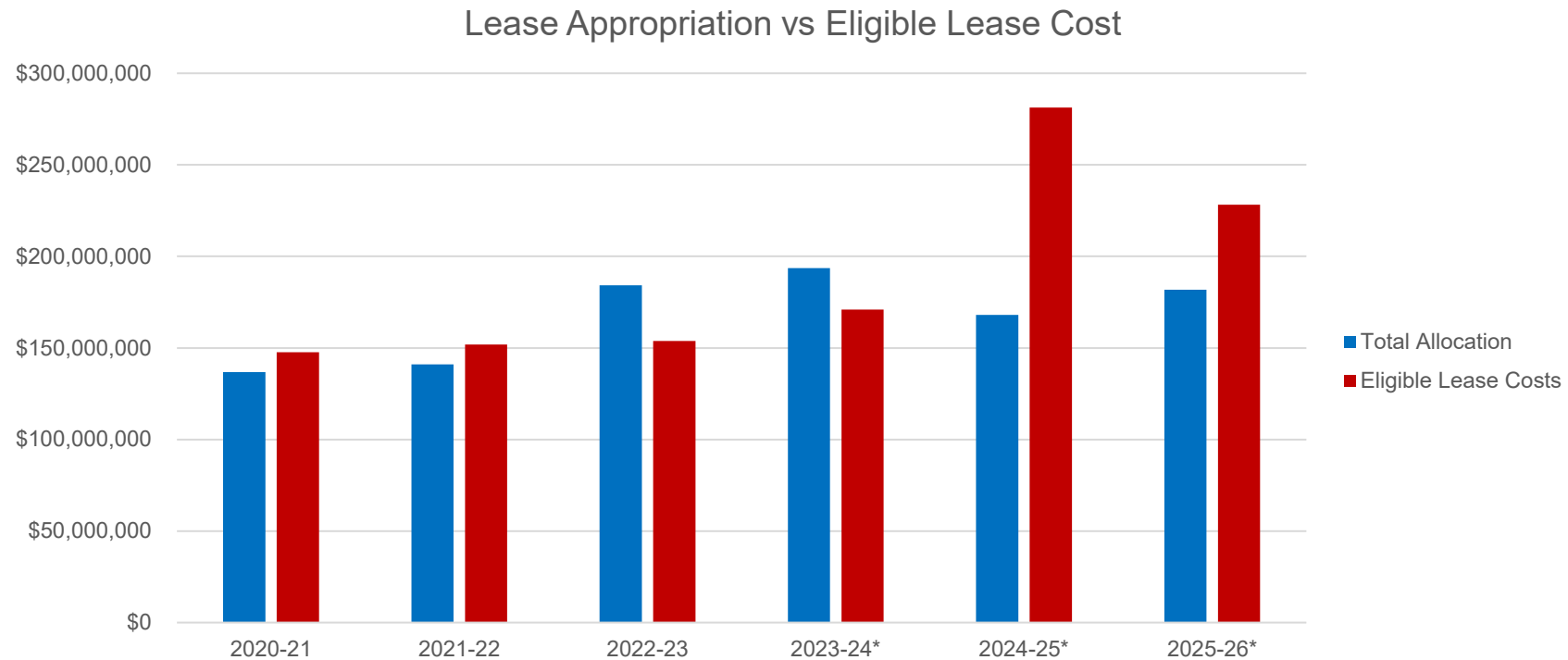
Data and Statistics

FY	2020-21	2021-22	2022-23	2023-24*	2024-25*	2025-26*
Lease Allocation	\$136,786,000	\$141,041,000	\$154,273,000	\$163,583,000	\$168,040,000	\$181,733,000
OC Only Allocation	\$-	\$-	\$30,000,000	\$30,000,000	\$ -	\$ -
% Growth	0.00%	3.11%	9.38%	6.03%	2.72%	8.15%
Eligible Lease Costs	\$147,694,843	\$151,918,556	\$153,782,596	\$170,949,529	\$281,219,551	\$228,205,671
Pro Rata	92.60%	98.90%	100.00%	95.00%	90.00%	~80.00%

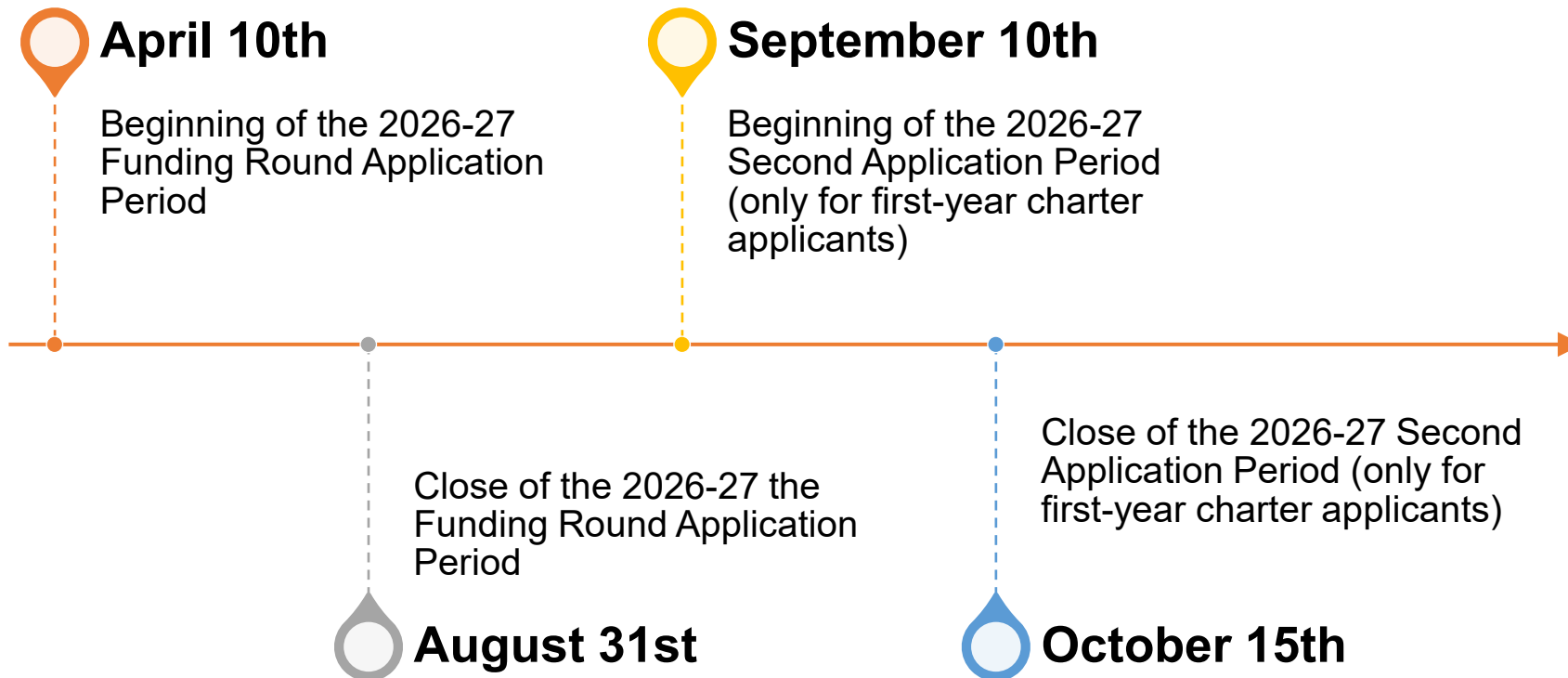
* Figures are estimates and/or projections and subject to change



Data and Statistics (Continued)



Upcoming Events



Appendix: Reference Materials

- **Current Regulations:**

<https://www.treasurer.ca.gov/csfa/csfgp/Current-Regulations.pdf>

- **Payee Data Record (STD 204)**

<https://www.documents.dgs.ca.gov/dgs/fmc/pdf/std204.pdf>

- **Employer Identification Number information:**

<https://apps.irs.gov/app/eos/>

- **Join Our Listserv:**

<https://app.e2ma.net/app2/audience/signup/2001989/1974896.545169008/>



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213-620-4608

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Sacramento, CA 95814
916-651-7710

Contact Information

CSFA Website

<https://www.treasurer.ca.gov/csfa/>

SB740@treasurer.ca.gov

SB740 Website

<https://www.treasurer.ca.gov/csfa/csfgp/index.asp>

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Thank you!



**Application opened on April
10th, 2026**

<https://csfaonline.treasurer.ca.gov/>