

Question	Answer
1. SB740 Program Eligibility	
1a. Please describe the California School Facility Grant Program (SB740 Program)?	The SB740 Program is intended to provide grants to charter schools to assist with facilities' rent and lease costs associated with the school.
1b. How is the school's eligibility determined for the SB740 Program?	The Authority shall use prior year data on pupil eligibility for free or reduced-price meals (FRPM) to determine the charter school's eligibility. (Refer to Eligible Applicant Section 10170.3 of the Regulations) (First Year Charter Schools see Section 2 below)
1c. What are the criteria used to determine a school's eligibility?	The following criteria is used to determine an applicant's eligibility: <ul style="list-style-type: none"> • Fifty-five percent (55%) or more of the student enrollment at the charter school site is eligible for FRPM; or • The charter schoolsite for which grant funds are requested is physically located in the attendance area of a public elementary school in which fifty-five percent (55%) or more of the pupil enrollment is eligible for FRPM. The school site gives preference in admissions to pupils currently enrolled in that school and to pupils who reside in the elementary school attendance area where the charter school is located.
1d. What is FRPM?	FRPM shall mean the percentage of enrolled students in grades Kindergarten through 12th grade or students ages 5 through 17, whichever is greater, and certified through the annual Fall 1 data submission to the California Longitudinal Pupil Achievement Data System (CALPADS). (Refer to Definitions Section 10170.2(l) of the Regulations)

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1e.	Is the FRPM Eligibility an annual requirement?	Each year applicants must submit a new Application and the Authority will determine eligibility on an annual basis. Charter schools must also meet the FRPM Eligibility requirements each year. (Refer to Eligible Applicant Section 10170.3(d) of the Regulations)
1f.	Is the school eligible if it is in default with other Authority programs?	A charter school and its Charter/Management Organization, if applicable, must be in good standing with all of the programs administered by the Authority. For example, a school cannot be delinquent on CSRLF loans or owe back grant funds to another program administered by the Authority and receive an award under the Program. (Refer to Apportionment of Grant Funds. Section 10170.9(g) of the Regulations)
1g.	What does good standing mean?	The charter school must be in compliance with its Chartering Authority and in good standing with the terms of its charter at the time of application submission, and without interruption throughout the term of the grant. The Authority will contact the Chartering Authority for this information. (Refer to Eligible Applicant Section 10170.3(e) of the Regulations)
1h.	What is ADA?	Average Daily Attendance (ADA) shall mean the unit of attendance, as reported by the California Department of Education (CDE) for the second period of the school year. (Refer to Definitions Section 10170.2(d) of the Regulations)

Question	Answer
2. First Year Charter Schools	
2a. How will our eligibility be determined if our school just opened this year?	First Year Charter Schools not operational in the prior year shall be eligible in the current year if the school meets the FRPM Eligibility requirements based on current year data.
2b. How will our ADA be determined if our school just opened this year?	For charter schools that do not have Prior Year enrollment data, the Authority will request new charter schools to submit their 20 Day Attendance Report in October. The Authority will calculate the school's ADA based on 90% of the school's enrollment as reported in the Charter School 20 Day Attendance Report.
2c. The school is in the process of getting a charter using a combination of classroom-based and independent study. Is the school eligible for the SB740 Program?	The SB 740 program limits eligibility based on the definitions of non classroom-based instruction and classroom-based instruction contained in Education Code 47612.5. Based on those definitions, "at least 80% of the instructional time must be at the school site" for purposes of the SB 740 program. The Authority only reviews in-classroom Average Daily Attendance (ADA) as reported by the California Department of Education.
2d. We just merged the MS and HS, and don't have the new CDS code yet. Should we use the MS CDS code for now?	No, Charter schools receiving a new CDS code from CDE shall be considered a "First Year Charter" as defined by Program Regulations Section 10170.2 (j). Please see FAQ Section 2 for additional information regarding First Year Charters.

Question		Answer
3. Preference in Admissions		
3a.	How does the Authority determine the local elementary school?	If the charter school's FRPM is below 55%, the Authority will contact the charter school's local public school district to determine each facility's local elementary school.
3b.	What does preference in admission mean?	Applicants relying on a local Elementary's FRPM to meet the 55% FRPM eligibility requirement must provide preference in admissions to pupils who are currently enrolled in that public elementary school and to pupils who reside in the elementary school attendance area.
3c.	How can the applicant show proof of preference in admission?	The Authority will accept various forms of evidence including: charter petition, enrollment policy, lottery policy, pamphlet sent to prospective students regarding enrollment.
3d.	Does the local elementary school need to be identified by name?	Yes, the local elementary must be cited by name in the applicant's proof of preference in admission. Language such as "preference in admission will be given to pupils who reside in the local elementary school attendance area" will not be acceptable.
3e.	May the school's Board amend the preference in admissions without bringing the amendment to the Charter School's Authorizer?	Upon approval from the Charter School's Authorizer, the Charter School's Board may amend the preference in admissions. Education Code 47605.3 authorizes charter schools located in the attendance area of a public elementary school in which 50% of the pupil enrollment is eligible for FRPM to provide an admissions preference to pupils who are currently enrolled in that public elementary school and to pupils who reside in the elementary school attendance area where the charter schoolsite is located.

Question	Answer
4. Related Parties	
4a. Please define what is considered a Related Party?	<p>(A) School Official or a spouse, domestic partner, or dependent child of a School Official; or</p> <p>(B) A Corporate Entity if a School Official or a spouse, domestic partner, or child of a School Official is an Affiliate of the Corporate Entity, except that a non-profit Corporate Entity formed exclusively for the purpose of managing or providing support to the Applicant or Charter School or to a group of related charter schools, and any direct or indirect wholly-owned subsidiary of any such Corporate Entity, shall not be considered a Related Party.</p> <p>(C) "School Official" shall mean a board, member, officer, or employee of an Applicant or the Charter School.</p>
4b. If the school has a Related Party what information will need to be submitted?	<p>Was the lessor/property owner, formed solely for the purpose of managing or supporting the charter school or a group of charter schools?</p> <ul style="list-style-type: none"> • Provide evidence (Lessor's Articles Of Organization) <p>If lessor/property owner was NOT formed solely for the purpose of managing or supporting the charter school provide responses to the following:</p> <ul style="list-style-type: none"> • Full explanation of the individuals who have roles with both the charter school and the lessor/property owner. • Provide evidence that the related party or parties recused themselves from the charter school's decision to enter into the lease and apply for the grant. • Provide evidence that the related party's interest in the property was disclosed to the charter school's governing board. • Provide evidence that the lease payment is at or below market rate or that, the Governing Board, in approving the lease, made a finding that it was reasonable under the circumstances.
4c. What is acceptable evidence of Fair Market Rate?	A Fair Market Report prepared by a third party and approved by the School Board during negotiations to enter into the affiliated lease.

Question	Answer
5. SB740 Program Application Submission	
5a.	<p>When is the Application deadline?</p> <p>The SB740 Program Application shall be due as stated on the Authority's website. New Charter Schools beginning operation during the funding round or schools moving from an ineligible facility to an eligible facility must apply by mid-October as stated on the Authority's website.</p> <p>Applicants are advised, if using the U.S. Postal Service for delivery, to get a receipt as documentation of when the application parcel was mailed. Applicants also should ensure parcels are delivered prior to the deadline.</p>
5b.	<p>Do current Awardees need to apply annually?</p> <p>Yes, each year applicants must submit a new Application and the Authority will determine eligibility on an annual basis.</p>
5c.	<p>Is an Online Application available?</p> <p>Yes, The Authority released the SB740 Application as an online application. Schools shall submit an online application to the Authority. The Authority will send a confirmation email once the application has been successfully submitted.</p> <p>SCHOOLS DO NOT NEED TO MAIL A HARD COPY OF THE APPLICATION TO THE AUTHORITY.</p>
5d.	<p>Should I submit an Online Application or mail in a Hard Copy of the Application?</p> <p>The Authority asks all applicants to submit their application using the Online Application site. If the Applicant experiences technical difficulties, they may contact the Authority and request a Hard Copy of the application (CSFA Form 740-01).</p> <p>The Application shall be submitted with original executed signatures. Attachments may be submitted via CD Rom, USB drive, or hard copy and documents shall be paper or binder clipped.</p> <p>Applications may not be submitted by email or facsimile or use staples to secure documents.</p>

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<p>5e. What is the address to mail the Hard Copy Application?</p>	<p>Applications may be mailed or hand delivered to the Authority’s offices in Sacramento or Los Angeles. The addresses are provided below:</p> <p>California School Finance Authority 915 Capitol Mall, Room 516 Sacramento, CA 95814</p> <p>-----or-----</p> <p>California School Finance Authority 300 S. Spring St., Suite 8500 Los Angeles, CA 90013</p>
<p>5f. Does the Applicant need to complete all sections of the Application?</p>	<p>Yes, the Authority requests all sections of the application be completed. For a full tutorial on how to complete the Online Application please see the recording of the SB740 Webinar. The Application includes the following sections:</p> <ul style="list-style-type: none"> • Checklist (Page 2) - Answered with an X in the response box. • School Info (Page 3) - Complete the requested information. • Lease Info (Page 3) - Complete the requested information and attach supporting lease documents. • Eligibility section (Page 4) - Complete all Yes/No questions and response boxes. If an item does not apply to the applicant please mark "NA." • Related Parties (Page 4) - Complete all Yes/No questions and response boxes. If an item does not apply to the applicant please mark "NA." If the school does have a related party please submit the requested supporting documents. • Legal Status Questionnaire (Page 5) - Respond with the requested information or "None at this time", original signatures shall be from two unique individuals. • Charter School Certification (Page 6) - Original signatures shall be from two unique individuals.

Question		Answer
5g.	What is a Charter Agreement?	The Charter Agreement/Petition submitted to the applicant's Authorizer valid during the current fiscal year.
5h.	What is an Approved Authorized Board Adoption?	An Authorized Board Adoption contains the Board minutes from an Authorizer approving the charter school dates of operation.
5i.	What is a List of Current Board Members, Board of Directors or Governing Board of Charter Schools?	The list consists of Board Members serving on the Board during the current funding round. Charter schools awaiting approval of newly appointed Board Members are required to submit an updated list upon member approval.
5j.	What types of files can I upload to my Online Application?	The file type must be a PDF and the maximum file size is 5000 KB.
5k.	What if my file is larger than 5000 KB?	If the file is larger than 5000 KB there are PDF compressors available online. But if the issue persists please send an email to the Authority. SB740@treasurer.ca.gov
5l.	Our school has more than three sites, how shall we submit the additional facility information?	If the charter school has more than three facilities, attach the facility information on a separate sheet and include it with your application.
5m.	How should I organize my school's leases?	Scan each Lease separately (Save-As facility street address.) NOTE: One upload per facility site, combine any corresponding amendment(s) and original lease as a single document (latest amendment first.)

Question	Answer
6. Grant Award Calculations	
6a. How are the Initial and 2nd grant awards calculated?	<p>Grant awards are calculated based on the lesser-of-the-two calculation:</p> <ul style="list-style-type: none"> • Prior year ADA multiplied by \$1,117; or • 75% of the school lease cost <p>Example: ADA: $121.5 \times \\$1,117.00 = \\$135,715.50$ Lease: $\\$125,000.00 \times 75\% = \\$93,750$ The maximum award is \$93,750 (the lesser of the two calculation.)</p>
6b. How is the grant award grant apportioned?	<p>The grant awards are funded in three apportionments:</p> <ul style="list-style-type: none"> • Initial Disbursement is 50% of lease/rent facilities cost (August 31) • Second Disbursement is 25% of lease/rent (March 1) • Final True-Up Disbursement is 25 % of Other Costs and lease/rent (July 31 or 30 days after receiving all documents)
6c. How is the Final True-Up grant award calculated?	<p>Grant awards are calculated based on the lesser-of-the-two calculation:</p> <ul style="list-style-type: none"> • Current year ADA multiplied by \$1,117; or • 75% of (school lease cost + Eligible Other Costs) <p>Example: ADA: $125 \times \\$1,117.00 = \\$139,625$ Lease: $\\$125,000.00 + \text{Other Costs: } \\$5,000 = \\$130,000 \times 75\% = \\$97,500$ The maximum award is \$97,500 (the lesser of the two calculation)</p>
6d. My school had an increase in ADA, will the Authority review my final disbursements?	<p>The Authority will receive final P2 data certified by California Department of Education. This data is the final ADA for the school and used to determine the school's Final True-Up Award.</p>
6e. My school had a decrease in ADA, how will this affect my school's funding?	<p>Schools where the ADA has decreased will be reviewed by the Authority and schools may need to return disbursed funds. Schools receive the initial disbursement based on the prior year P2 data calculation.</p>

Question	Answer
7. Lease Agreements	
7a.	<p>Can the Authority identify the content reviewed in the facility lease agreement?</p> <p>The Authority reviews each lease to ensure:</p> <ul style="list-style-type: none"> • The charter school is identified as the lessee or the lease clearly states the charter school is operating on the premises • The terms of the lease (commencement date - expiration date.) • The facility lease address must match the school's address. • There is not a conflict of interest between the lessor/property owner and the school's administrators and staff. (Refer to Conflict of Interest Section 10170.14 of the Regulations.) • Related Party schools only: The amount of the lease or rent is at or below market rate (see Section 4 above.)
7b.	<p>If our school's lease is a sublease, do we need to submit the master lease?</p> <p>Yes, the Authority will require the master lease and will review both the master and sublease pursuant to the award determination.</p>
7c.	<p>My school's lease expires June 2017; does the school submit the 2016-17 lease agreement with the application and then submit the approved 2017-18 lease agreement?</p> <p>Yes, if the charter school does not have an executed rent or lease agreement for the Fiscal Year, the Applicant may produce an executed lease or rental agreement from the prior year. The Applicant may also provide such other evidence to the satisfaction of the Authority, such as a pending lease agreement, that establishes the Applicant's best estimate of such costs for the Fiscal Year.</p> <ul style="list-style-type: none"> • Lease costs calculations are determined upon the terms of the lease agreement submitted to Authority. • Schools with new lease agreements are to submit the current lease agreement to the Authority's email prior to Second Disbursement (March 1.) <p>SB740@treasurer.ca.gov</p>
7d.	<p>My school rents month-to-month, what documents are required? Does the school need to submit a rent/lease agreement?</p> <p>Schools with a month-to-month rental agreements are required to submit a rent/lease agreement and the monthly statements. The initial apportionment is calculated on the previous year's lease facility cost. The Final True-Up is based on the current fiscal year's monthly statements. The charter school may submit the current Fiscal Year monthly statements at the end of the current fiscal year. All Invoices are due July 15th.</p>

Question		Answer
7e.	Can an applicant amend and add a location during a grant period?	Charter Schools are able to amend a lease agreement and add a location during the grant period. The lease agreement must be valid during the current fiscal year. All additional information is due to the Authority no later than July 15 after the close of the fiscal year.
7f.	If the school signs a capital lease with the property owner, and will own the title of the building at the end of lease term; would the school still qualify for SB740 grant funding?	Lease to own facility costs are not an eligible cost under the SB740 Program.
7g.	The lease agreement is for two separate charter schools located on the same facility site. What information does the Authority need to review shared facility costs?	The lease agreement must clearly state the lease terms for each school renting/leasing the facility(s). The Authority requires a letter signed by the lessor identifying the lease terms and separation of costs for each charter school.
7h.	The charter school leases facilities from the school district. May we apply for lease, maintenance, and other facilities costs?	No, per California Education Code 47614.5 (e)(2) facility costs for existing District and County Office of Education (COE) facilities are ineligible for reimbursement.
7i.	A portion of my school is located on a District facility, how will my eligible ADA be determined.	Applicants occupying District/COE facilities will need submit a breakdown between their District/COE and Non-District/COE owned facilities' classroom-based ADA. Applicants whose pupils rotate to different classrooms throughout the school day shall estimate their ADA breakdown based on the percentage of the square footage of District/COE facilities versus non-District/COE facilities.
7j.	The school has three sites; one site is a District Owned facility. How does the Authority calculate the grant award?	The Authority reviews each school's facility separately. Schools with multiple sites may need to identify the ADA per facility. Ineligible facility costs and ADA are not included in the grant award calculation. (Refer to Eligible Cost Section 10170.4(e) of Program Regulations.)
7k.	Are Charter School Facilities Program (CSFP) Costs eligible?	No, the SB740 Program shall not fund costs incurred to meet a charter school's local match obligation for charter school facilities that receives funds pursuant to the Charter School Facilities Program (CSFP.)
8. Eligible Other Costs Submission		
8a.	When should the Applicant submit Other Costs expenses for reimbursement?	Other Costs items must be submitted by July 15 after the Fiscal Year has ended. Other Costs will be incorporated into the Awardee's Final True-Up Award Calculation. The school can be reimbursed for eligible Other Costs incurred during the current Fiscal Year. (July 1st - June 30th)

Question	Answer
8b. Will Other Costs be included in the initial and 2nd Award allocations?	No, Other Costs will only be incorporated into the Awardee's Final True-Up Award Calculation.
8c. How should I submit my invoices?	All Other Costs must be submitted with the Invoice Wizard which can be found on the SB740 Program's website.
8d. Can the Authority define Other Costs eligible for reimbursement?	<p>The following items are eligible Other Costs for reimbursement:</p> <ul style="list-style-type: none">• Remodeling: Modification or extending the structure of an existing building.• Deferred Maintenance: Repairs and maintenance to the facility including but not limited to repairing electrical systems, installing or repairing air conditioners, waxing floors, repairing locks, etc. Supplies and materials used to complete the project are also eligible.• Installation and Extending Service Systems: Placing new equipment in position ready for use. (HVAC, Security systems, etc.)• Built-In Equipment: Equipment installed and secured to the facility for permanent use. (Does not include computers, desks, copy machines, or other portable office equipment.)• Improving Sites: The labor and materials used to enhance the school's appearance. (Beatification projects, playground equipment, etc.)• Common Area Maintenance:<ul style="list-style-type: none">○ Landscaping - Cost of materials and services.○ Janitorial - Cost of services.○ Utilities - Costs associated with electricity, water, communication, public waste disposal.○ Insurance - Costs associated with property insurance and property liability.○ Property Taxes - Taxes assessed by the County Assessor's office.

Question	Answer
8e. Our janitor is an employee of the school. Is his salary eligible for reimbursement?	No, employees' salaries and benefits are ineligible for reimbursement.
8f. Are consumables eligible for reimbursement?	Consumables include food, disposables, and toiletries. These items do not support the facility upkeep and are ineligible for reimbursement. (Example: Toilet paper, paper towels, hand soap, toner, water, etc.)
8g. Can schools still submit other costs if they selected " NO " on the application for expecting additional costs like remodeling, deferred maintenance, etc.?	A school selecting "NO" on the application is able to submit invoices for other facility costs until July 15 . The question on the application assists the Authority with funding projections.
8h. May a school be funded by SB740 primarily for deferred maintenance and remodeling etc.?	Yes, applicants are able to submit Deferred Maintenance and Remodeling costs to the Program for reimbursement.
8i. Do leasehold improvements qualify for Other Costs? The lease agreement includes putting money into upgrading some facility improvements?	Leasehold/tenant improvements may be eligible for reimbursement with proper documentation (See response 8c.)
8j. Our school's lease agreement allows the lessor to establish a reserve account for Other Costs. Does this qualify for as an eligible cost?	The Authority reimburses expenses in arrears (payments made after a service has been provided). Accounts established for future costs are not eligible for reimbursement since the services did not occur during the applicable Fiscal Year.
8k. Does the school need to submit an Invoice Wizard Template if it is only being reimbursed for lease costs?	The Invoice Template Wizard is exclusively for the facility's Other Costs. Lease costs are calculated based upon the terms of the lease agreement submitted to the Authority. Schools with new lease agreements are to submit the current lease agreement to the Authority for final True-Up Award Calculation.
8l. My school rents month-to-month, what documents are required? Does the school need to submit the Invoice Wizard Template?	Lease costs are NOT part of the Invoice Template Wizard. Schools with month-to-month rental agreements are required to submit the monthly statements and can submit them with the invoice spreadsheet. However, the lease cost are calculated on the final school calculator and not entered on the Invoice Template Wizard.

Question	Answer
<p>8m. What does the Authority consider as Proof of Payment?</p>	<p>Proof of Payment must include: vendor name, purchase/project date, purchase/project amount, project location, and project description. The following forms are acceptable:</p> <ul style="list-style-type: none"> • Vendor's invoice • Purchase Order (supporting documents) • Receipt • Copy of cancelled check • Copy of bank statement
<p>8n. What if the school only has a receipt that does not include the project's location or description?</p>	<p>Write next to or on the Proof of Payment all of the following if they are not present:</p> <ul style="list-style-type: none"> • Vendor name • Purchase/project date • Purchase/project date • Purchase/project amount • Project location • Project description
<p>8o. What's the best way to summarize on the invoice what we are "claiming" if the amount is partial? For example we are using other funding for a portion and do not want to claim that portion of the invoice.</p>	<p>Schools submitting partial Invoices need to specify the reimbursement amount. The invoice must include notes breaking out the eligible costs. On the Template, only include the eligible portion and in the comments section please identify why this is a partial payment and what percentage of the total amount this portion represents.</p>
<p>8p. In the past, the Authority has requested corresponding county issued Warrant Registers for the invoices. Is this no longer required?</p>	<p>The Authority will review reimbursement costs submitted by each school. Proof of Payment must include: vendor name, purchase/project date, purchase/project amount, project location, and project description. The Authority reserves the right to request additional evidence.</p>
<p>8q. The PDF copies of the invoices are too large to mail as an attachment. Can the school send as a .zip file document?</p>	<p>The Authority is able to accept .zip files and PDF files with a maximum file size of 30MG. Schools with larger files are encouraged to send separate email files identifying invoice File 1, File 2, etc. Schools submitting multiple emails are to identify the school's name in the subject line and submit all attachments to:</p> <p>SB740@treasurer.ca.gov</p> <p>Applicants may also use a PDF compressor.</p>

Question	Answer
9. Appeal Process	
9a. How can the charter school appeal the eligibility or calculation of an award determination?	<p>Upon notification of the Authority's eligibility or Award determination the Applicant has 30 calendar days to submit an Appeal to the Authority. An Appeal shall be a letter submitted on behalf of the charter school requesting reconsideration and must include the following:</p> <ul style="list-style-type: none"> • School Letterhead • Requested action • Basis of appeal; factual and regulatory • Supporting documentation • Signature from Lead Administrator or Board Member
9b. After submission of an Appeal what is the Appeal Process?	<p>The Authority shall review and provide an Authority Staff's Final Decision within 30 calendar days of receipt. (Refer to Section 10170.10 of the Regulations.)</p>
9c. What if the charter school is unsatisfied with Authority Staff's Final Decision?	<p>The Applicant has 30 calendar days following receipt of Authority Staff's Final Decision to notify the Authority that the Applicant wishes to appeal the matter to the Authority Board. Upon receipt of an appeal notice from an Applicant, the matter will be considered by the Authority Board at the next regularly scheduled Authority meeting. (Refer to Section 10170.10 of the Regulations.)</p>
10. Other Questions	
10a. Can we get a report that shows which invoices were approved?	<p>Upon request, the Authority can return the school's Invoice Report after Authority staff have completed the final review.</p>
10b. Is the purchase of a facility eligible for reimbursement?	<p>The primary intent of the SB740 Program is to reimburse rent and lease costs. The purchase of any facility including modulars is not eligible for reimbursement.</p>
10c. How can the school receive updates from California School Finance Authority?	<p>The Authority has a ListServ signup available on the website treasurer.ca.gov/csfa or click on the link below: Sign Up to Receive CSFA Information</p>
10d. How can the school receive a copy of the presentation?	<p>The Application Webinar Presentation documents are available at: Treasurer.ca.gov/CSFA/csfgp/index.asp</p>
10e. How can the school review Prior Award Determinations?	<p>All SB740 Program Awards disbursed by Authority are available on the Authority's website: Treasurer.ca.gov/CSFA/csfgp</p>