

Office of the California State Treasurer  
and  
California School Finance Authority (CSFA)

Presents:

Webinar - SB740 Program

Tuesday, May 3, 2016  
10:00 a.m. – 11:00 a.m. PDT  
<https://www.youtube.com/watch?v=Lp9gG4FouGU&feature=youtu.be>

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[Webinar commenced at 10:00 a.m.]

>> KATRINA JOHANTGEN: Hi, everybody. Welcome to the California School Finance Authority's SB740 webinar. It is 10:00 a.m. So, hopefully, everybody who wants to participate is dialed in. This information will be posted at a later date and time so that if there are any questions or folks missed the beginning of the presentation, they will be able to retrieve this information. I wanted to start off by introducing myself, Katrina Johantgen [Executive Director] of the California School Finance Authority (CSFA). I want to thank the CSFA team for the administration of this program since 2013-14. I just wanted to highlight the success that we've had in administering the program in 14-15. We have almost \$75 million and in 15-16, we have about \$53 million, and that does not account for the final invoice costs. Thank you, Ian Davis and Anne Osborne and their team it would not be possible without our colleges in the State Treasurer's Office (STO) accounting department and everybody who gives money out to the schools. With that, I'm going to turn it over to Ian Davis.

**Slide 1 Charter School Facility Grant Program Speakers 1:18**

>> IAN DAVIS: All right. Thank you very much, Katrina. Myself and Anne will be speaking today. If you have any technical issues at all, contact go to webinar at the link below. Unfortunately, you can't click on it, but you can type it into your browser. We will also be having live captioning and will have a transcript available after the webinar as well as a recording and its presentation of it shortly afterwards. Probably have it in a couple of weeks. If you have any questions, please type them into the questions box in the webinar. We'll most likely respond to other questions afterwards in both an E-mail and our frequently asked questions. They're posted on our website, and we'll be going

over the resources that we have available on our website later on in this presentation.

### **Slide 2 Charter School Facility Grant Program Speakers 2:24**

Both myself and Anne will be speaking today, we are co-leads of the SB740 program. As part of our management of the SB740 Program, we want to make sure we respond to all your questions and concerns and we've created an E-mail box specifically for the SB740 program. It's [SB740@treasure.ca.gov](mailto:SB740@treasure.ca.gov). If you have any questions about it after the webinar or any information you need to submit to the SB740 Program, you can submit it to this E-mail.

### **Slide 3 Agenda 3:04**

Today we'll be going over a program overview of the SB740 Program, program eligibility, the grant calculator for the awards, the application overview, how to submit an application. We have the application available on our website, and it will remain open until June 3rd at 5:00 p.m. all applications will be due. This is online application. We'll go over how to submit than application online later on. We have invoice updates as well for current awardees and upcoming dates.

### **Slide 4- Program Overview 3:48**

>> ANNE OSBORNE: Good morning, everyone. I'm going to talk about the Program Overview. The program started in 2002 to provide assistance, with facilities rent and lease expenditures to charter schools. CSFA took over the program in 2013 and year to date, we have awarded \$234 million to charter schools. So we're really excited about that.

### **Slide 5 Program Overview 4:27**

Currently in the governor's budget for this fiscal year 2015-16, we have \$112 million that is available to charter schools in the SB740 Program. We do not have a forecast yet for 16-17. As I mentioned before, SB740 reimburses charter schools for rent and lease costs and other costs. These include maintenance, remodeling, and other expenditures which will be discussed after we talk about the online application. We issue three disbursements throughout the year. The first is in August. This is our initial disbursement. And then we issue one in March. That's our second disbursement. And the last one is usually in September. This is your final cost. This is where we really look at your other costs in addition to your rent and lease expenditures.

### **Slide 6 Program Eligibility 5:34**

Program eligibility. This is what you need to have to be eligible for the SB740 Program. We request that you have a current charter in place and a current lease. We ask that the charter school remain in good standing with its authorizer. This is

something new, and this is something that the authority will monitor throughout the year. We will send notices to your authorizer to see if you're in good standing. The other thing is the income criteria, low-income where at least 55% of the students need to meet the Free and Reduced Price Meal (FRPM) criteria. Or the school needs to have an attendance area of an elementary school with at least 55% FRPM students. We also have the preference in admissions which I will talk about that in the next slide. And all this is based on your classroom-based instruction. So these numbers are based on the number of students in the classroom when you apply for the program.

### **Slide 7 Preference in Admissions 7:00**

Preference in admissions. This is something that the program is taking back in. This has been in our current regulations, and this is something that we are going to be reviewing as part of your eligibility. Charter schools using the local elementary FRPM to qualify for SB740 must provide a preference in admissions to the students attending the local elementary school or residing in the elementary boundaries. In Preference admissions must be stated in the charter school's admission policy found in the school's charter or in a resolution approved by the school's Board. We've had a lot of questions about this. This is something we notified all the schools that were using their local elementary, this is something we've been working with the schools on since September. So, again, if you have any questions or concerns regarding this, please send them to the [SB740@treasurer.ca.gov](mailto:SB740@treasurer.ca.gov), and we can help guide you if you are still having questions on this policy.

### **Slide 8 Maximum Grant Calculator 8:25**

>> IAN DAVIS: All right. Thank you very much, Anne. So once we have approved the eligibility of a school, we then go into reviewing the school's grant. And the way that we do that is we look at the school's facility costs and their ADA for that year. For the first and second disbursement, we may not have your current lease or all the other costs that you may be submitting as well as we will not have your current ADA, so we'll be using last year's information sometimes. If we have your current lease, then we would we will use that if you can provide that to us in a reasonable amount of time. We'll use that in the initial and second disbursement. During the final true up, we're required to have your final lease as well as the average daily attendance as posted by CDE. We usually receive that in June. In 15-16, we'll be receiving that information in late June. We'll take that ADA, and we will find out what the school's total award will be for the final true up and give you any remaining funds at that time.

So, the lesser of the two calculation is we're either going to take 75% of your annual facility cost or your average daily attendance times \$750 dollars. Whichever of those is lesser is your award for the year.

### **Slide 9 Program Calculator 10:00**

To give you an example of what a calculator would like for a school, this school had a facility cost of about \$250,000 in 15-16. 75% of that was \$180,000. We looked at the school's ADA for the year. It was \$217,000. Obviously, the lesser of these two values is going to be the ADA. And so for the 15-16-year, the school's award is \$162,000. The school has received that in three disbursements. The first disbursement is 50% of the reward. The second is \$40,000. And the final disbursement was another \$40,000. For this school, they capped out at their daily attendance value. Some schools may have a lease cost that is less than there Average Daily Attendance. For those schools, they may submit to us other costs. And those costs, other costs, can be deferred maintenance, remodeling, things like that. We'll go over that later on in the presentation.

### **Slide 10 Application Overview 11:18**

So just to get started, we have an online application now. It is going to be due June 3rd, 2016, at 5:00 p.m. the Authority asks that all applicants submit their application using the online application available on our website. However, if the school experiences technical difficulties, we would first ask you to E-mail [SB740@treasurer.ca.gov](mailto:SB740@treasurer.ca.gov), several things this application will allow the schools to do. We want to allow schools to experience it and submit a complete application through it. But if there are persistent issues with it, you may submit a hard copy version of the application, and that is available on our website as well.

### **Slide 11 Steps for Success 12:07**

So before you get started with the online application, we recommend setting up all your files that you are going to be up loading with the application. Bear in mind, all these files must be in PDF form, and the maximum size of each file can only be 5,000 kilobytes or 5 megabytes. The documents you need to prepare are a current and valid Charter Agreement, approved option, approving the charter and an Authorizing Adoption. A legal status questionnaire, and a certification signature page, and these are part of the application available on the website. I'll show you where those are in just a bit. A current lease with agreement terms. And if there are additional amendments to that lease, they're going to be included. We would ask that you put the lease together as one package and you put all the amendments, all the latest amendments at the very top. And scan those altogether and then you may submit that to us. We also ask that when you say the leases name, you save it as the school's address. This will help with schools with multiple facilities to sort out and to figure out which is which and how they correspond with each other.

### **Slide 12 Online Application 13:33**

So let's move on to the application. This is our website. ([Live Presentation](#)) On our

website, we have the online application here. As well as, as I said earlier, you may grab /locate the documents on the website a version of the legal status questionnaire and certification signature pages. These are forms you're going to have to fill out and have your administrator sign. So it is a good idea to grab/locate the documents on the website. Have the people that you need to review them. Find them and fill them out. And then you'll have them ready for submission when you get to that step of the online application.

### **Page 1 Online Application Website Page 14:33**

Let's go ahead and get to the online application. Starting out is a very simple page. For schools that are current and operating, we have a section where you can enter into your CDS code. If you just got your CDS code approved, you may not be in the system. If you're a new school and you do not have it, you can still submit an application. Just click the link right here. (*No CDE Code Submit New Application Icon*) You'll just fill out all your information down here and when you get that CDS code, you can send us that information at that time. They lost sound.

>> SPEAKER: Okay.

>> SPEAKER: I can hear you, Ian.

>> SPEAKER: I'm okay.

>> ANNE OSBORNE: Okay.

>> IAN DAVIS: Sorry for anybody that is experiencing that. A recording of this will be available after the presentation for you. I'm going to type in the CDS code just for an example.

### **Page 2 Online Application Website Page 16:00**

Notice I put no dashes in when I submitted that. So no spaces, no dashes, just type in the number. As you can see, it automatically selected the school's name, charter and CDS code for you. It did fill in mailing address and current authorizing Board. If those items have changed, you can delete that and fill in the correct information. As soon as you hit *Continue*, you'll be assigned an application ID and we'll begin to record some of the information that you have. So thank you very much. I'm going to actually show you a prebuilt one that I already have as a test school.

### **Page 3 Pre- Built Application Website Page 16:41**

So this is a school that I began and any school that you begin to fill out information for and for whatever reason you're not able to complete, if you return to this program, and you enter in the code, you will see this information here. And you'll see that it has not been Submitted yet, and that you may *Click to Continue* Icon. As soon as you have submitted, the date will be filled in, and you'll be unable to edit the information.

#### **Page 4 Online Application Website Page 17:21**

So make sure that you have filled in all the fields correctly before you hit Submit at the very end. I'll go over that later on in the presentation. So, again, as shown here, the school's information, I've already filled out. I filled out each of the fields. You'll want to make sure that a phone number has exactly ten digits. We do not have extensions currently at this time but if you want to, you can submit that information to us by E-mail as well as all dates current *Charter* icon will need to be as stated here in two months, two date, four-year category.

This is the school's charter. As you can see here, it looks like their charter is going to expire soon. As I hit "continue," it gives us a little reminder (*In Red text top of page*) letting the school know **Please submit to us your new charter when it becomes available.** We understand a lot of schools are still in the process of getting that information recertified with their authorizing Board, so you can certainly give us that information once you have it. We'll just require it during true up period of time. You have to have it to us by true up.

All right. (*Request for Rent/Lease Icon (Yes)*) This is the lease I'm submitting for reimbursement. I am requesting costs, and, *No (Lease on File with Authority Icon (No))* the school does not have a lease. I have not ever submitted this lease before to the authority. So I will be requested to select that item (*Updated Facility Document Icon*). Okay. I have created a supporting document folder. I set this up beforehand, before I even began the process so that way I would have all these documents in place and I could easily upload each one. This is the lease. I've named it the street address of the lease. And simple as that. I can fill out information for up to three facilities, and we understand that there are some schools that will have more than that. If that is the case, you can simply click here to download a form.

#### **Page 5 Additional SB740 Facilities Website Page 20:00**

You can (*Click here Icon*) to download a form to fill out additional lease information too. And then upload the file, you'll want to print it, put all your leases in one package with that form together, and scan that to us. If the file is too large some of these leases may be too big, does not fit because they exceed the 5,000 kilobyte size, you can E-mail that to us as long as you let us know these are leases for your school. We'll add that to your file and send you a confirmation E-mail that we've received that information. This is for schools that have more than three leases.

#### **Page 6 Online Application Website Page 20:32**

All right. So back to my application. I am interested in submitting *Other Costs Icon*. I will not be submitting that at this time. You'll be able to submit other costs like deferred maintenance at the end of the fiscal year after those costs have already

occurred, and you have the invoices for them. All right. So I'm going to go ahead and click "[Continue](#)."

### **Page 7 Eligibility Website Page 20:52**

And I've been directed to the eligibility section. You'll want to let us know how you are [Eligible for the program Icons](#), whether or not you have 55% of your school or whether or not you'll be using your local elementary school to get FRPM eligibility. As well as you'll want to please let us know if any portion of your rent or lease is going to be used to purchase the facility. And if so, just give a quick explanation as to why. As you noticed, I clicked "[No](#)" and entered in "[N/A.](#)" You'll need to respond to each box whether or not it applies to you or not , please write something. Write "[N/A](#)" if it does not apply to you.

You'll want to say who your lessor or sub lessor is. In my case, I have the agent, the organization that I lease from is actually subleasing the property from a Mr. Bob Barker, LLC. I will want to put in that information here as well as because I do not have any related parties, then I will be able to hit an NA and proceed as follows. If you do have any related parties, that's fine. Just fill out each response and make sure to if you need to add in [Supporting Documents](#) as requested by these questions above. So you can do that again by clicking it and adding in your ([Supporting Documents Icon](#)) for the related party.

### **Page 8 Legal Status Questionnaire Website Page 22:43**

Go ahead and click "continue." This is the legal status questionnaire. Again, this is that form that is available on our website for you to download and have your Board and your Administrator sign ahead of time. You will want to fill out these boxes if you have any ongoing or prior legal action going on. You want to make note of that here. And if this space is not enough, you can attach additional ([Supporting Documents Icon](#)) down here.

If you just need the signature page, you can ([Click Here Icon](#)) and download that signature page. Fill out these two boxes on the signature page, and then you'll need the proper authorities to sign it. And you'll be able to ([Upload that document Icon](#)) here.

### **Page 8 Certification Website Page 23:36**

Okay.

Let's hit "continue." The certification page, you will, again, need two signatures. They have to be two different individuals. And you'll want to again, grab that on our website ahead of time. Have the people that you need to sign that so that it's ready when you're ready to upload this application. And then you'll be able to just to add that ([Certification Icon](#)) here. You can see I've done this a few times. But you'll only need to

do it once.

### **Page 9 Checklist Website Page 24:11**

Okay. Our last part is the last page of our application, this is a final page just to allow you to add in any supporting documents that we request with the application including the Charter Agreement, the Authorized Board adoption of the charter, and the Current Board members. If none of these items have changed, and you've already submitted this information to us before, you may go ahead and click (*On file Icon*). Okay. If it's already on file, you will not be required to submit any information to us. So you do not need to browse and add an item. If we are unable to find that information, we will send you an E-mail and let you know that to submit that information to us in order for us to process your application. These items are required in order for us to review eligibility, so we're unable to grant rewards or review your grant calculator until we have gone through the eligibility phase.

Before you submit, you may edit your application. This will bring you back to the first page, and you can make any edits that you need to make. Or if there are additional files that you need to add, you may certainly go ahead and add them at this time. Or if it's going to take you a couple of days to gather the information, you could simply close out, come back, and turn your code and start off right where you left off. But I am done, I think, with this application. I am ready, and so I will go ahead and click "*submit.*"

### **Page 11 Website Verification Print Page 25:52**

Once I click "*submit,*" I am sent a print form. This is a form that you can go ahead and (*Print Icon*) right here. And this will allow you to see how you responded to each of your questions. This is just for your records. You do not need to send this to us. We have actually already captured this information. Once you hit the submit button. And we have already gathered up the documents that you have sent to us on our network drives. So you will not need to submit any new information unless you have new information that comes available or for whatever reason the file was too large and you were unable to submit it.

So this is just for your records. I highly recommend printing this. Again, we have this notice for this school because their charter term is going to be ending soon. Just a reminder to send that to us when it's ready (*Click Print Icon*). If I'm done, I can go ahead and select done. That includes the online application portion of our presentation. If you have any additional questions about this, please submit it to our [SB740@treasurer.ca.gov](mailto:SB740@treasurer.ca.gov) or you can type it into the webinar and we'll respond in a couple of days.

### **Slide 13 Online Applications 27:12**

>> ANNE OSBORNE: Thank you, Ian. We've received a few questions. As Ian mentioned, we'll respond to these after the webinar. Also I want to direct you to our Frequently Asked Questions section that is posted on the CSFA website. So I think that would be a very helpful tool for anybody that's new to the program or you have questions, I would review those also. So let's talk about other costs.

This is for the 2015-16 participants that are in the SB740 Program currently. So anybody who is new to the program, who is applying for the 2016-17 application, this would not apply to you at this time. This would be something you would want to visit at towards the end when we do our true up and we ask for invoices. So, I just want to preface that. Other costs. That includes remodeling. So if you've had any remodeling costs during this fiscal year, and this fiscal year is July 1st, 2015, through June 30th, 2016. I just want to emphasize that. If you've had any remodeling costs during this fiscal year, you would be eligible to submit those invoices. Any deferred maintenance, installation, materials, maintenance and repairs to your common areas.

### **Slide 14 Invoice Template 29:18**

Again, these costs will be due July 15, 2016. That's been a change. Last year we asked for invoices in May. However, we found there were still outstanding invoices that schools were submitting, so we're just asking for one submission with all your invoices. And we ask that these are due by July 15th. We do have an invoice template tutorial that we used last year. So we ask if you have any questions about this, that you do review the webinar that is posted and if you still have other questions, please send them to the [SB740@treasurer.ca.gov](mailto:SB740@treasurer.ca.gov), and we can certainly assist you on that.

### **Slide 15 CSFA Website 30:00**

This is the CSFA website if you're not familiar with it. This is what it looks like. Again, we want to call notice that the application is the first thing on the website. The application is posted there. And our new regulations that were just approved are there as well. We have resources, you see the frequently asked questions, the application, the recording will be posted. The PowerPoint and the transcripts will all be posted. The PowerPoint will be posting by the end of today. But the recording and the transcripts may take a few days. But you will have all these resources available to you as you begin this application process. And for schools that will be submitting invoices for the 2015-16 funding cycle, again, these resources are available to you. And these are all found on our website.

### **Slide 16 Invoice Instructions 31:13**

And we've talked about the invoice, but just to reiterate, the invoices must have the vendor name, the project description. Again, it's only going to be valid for the 15-16

funding cycle which is July 1st, 2015, to June 30th, 2016. For some of you that have rents that are month-to-month, those items we would need to have bank statements and invoices just to help us validate those costs have incurred.

Next slide, please.

### **Slide 17 SB740 Invoice Email 31:58**

This is the SB740 invoice E-mail. Again, we talked about this. In your subject line, we're asking that you put the school's name and the year. And you can see that highlighted in yellow. So we're asking that. Those invoices that you do that so we can identify that, that is your school and your invoice.

Again, you will be sending it to [SB740@treasurer.ca.gov](mailto:SB740@treasurer.ca.gov) website. And these are the documents you would be attaching, invoice wizard, signature page, and the invoice documents. So all these would be included in the submission when you send them to us for final review. And there are instructions on our invoice webinar that you can review. Also the Frequently Asked Questions has additional information for you if you still have questions.

### **Slide 18 Upcoming Dates 33:08**

Lastly, in our upcoming dates, we just want to remind you that the application has been released. It was released on Friday, April 29th, and it is due on Friday, June 3rd at 5:00 p.m. Again this is a hard deadline, and we ask that you have your applications in by this date. We do encourage you, because this is the first time that we're doing an online application, we do encourage you to try to get these in earlier if possible. As everyone knows, there are to be technical glitches, so we ask that you're mindful of that and that you do get your submissions in earlier if possible. Again, June 3rd at 5:00 p.m. is the final cutoff date. And for schools participating in the 2015-16 program, your date is July 15th, 2016, where we requested all invoices be submitted to CSFA for your review.

>> IAN DAVIS: And quick note, for 15-16 applicants, you're not required to submit an invoice wizard. This is only if you wish to submit those other costs to us. I will be sending out an E-mail in late May asking all current applicants if they anticipate submitting in invoice wizard. If they do not plan to, simply respond no. What we'll try to do is get your grant out a little bit quicker since we're not going to be waiting until July 15th for all of that information. We'll try to get those awards out to you as soon as possible.

### **Slide 19 Contact Information 35:00**

>> ANNE OSBORNE: And this is our last slide. We just want to provide you with resources of the contact information. Katrina Johantgen is our Executive Director. Laura Martinez is our Manager. Ian Davis and myself, Anne Osborne we are the Program Leads

on this. We have other analysts, will be reviewing documents that is listed here on the PowerPoint Kristen Schunk, Jodie Jones, Steven Theuring, Robert Beigler, David Weinberg and Jose Franco. You may see those names as we're reviewing documents. You may be getting E-mails from these people. We encourage all E-mails regarding SB740 to please use our SB740@treasurer.ca.gov mailbox so we'll have a record of all your E-mails and we can answer them in a timely fashion.

That concludes our webinar. Again, the PowerPoint will be made available today and the recording and transcript will be available within the next two weeks. We'll send out a notice to those attending that these resources are available.

Again, any questions that were submitted, we will be answering these at the end of the webinar off line. Thank you for attending. Ian?

>> IAN DAVIS: Thank you very much, Anne. Thank you all for participating, and have a wonderful day.

[Webinar concluded at 10:40 a.m.]