**California School Finance Authority**

# Charter School Revolving Loan Fund Program Application

**(Pursuant to California Education Code Sections 41365-41367 and California Code of Regulations, Title 4, Sections 10170.16-10170.24)**

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## Application Instructions

The Charter School Revolving Loan Fund (CSRLF), established in California Education Code Sections 41365-41367, provides low-interest loans of up to $250,000 to new charter schools. Since July 1, 2013, the CSRLF program is now administered by the California School Finance Authority (CSFA). For information on the program, visit the CSRLF website at: http://www.treasurer.ca.gov/csfa/csrlf/index.asp.

This document provides instructions for applicants on how to complete the CSRLF application. The application and instructions are available on the CSRLF website.

Applications received after the final filing date and time will not be accepted for review. Applicants should refer to and must comply with CSRLF Regulations.

## Submission of Application

The completed application and required documents must be hand-delivered or mailed to CSFA at the following address:

California School Finance Authority
Charter School Revolving Fund Loan Program
915 Capitol Mall, Room 101
Sacramento, CA 95814

The application package must contain:

1. One (1) hard copy Application with original signature; **and**
2. One (1) CD-ROM or flash drive with:
   - ✓ One (1) complete copy of the Application
   - ✓ One (1) set of all required documents as listed on the Application under section *"Additional Documents Required (All Applicants)"*
     - ☞ *All files on the CD-ROM or flash drive should be submitted in unprotected PDF, Word, or Excel format.*

The Application must be signed by an authorized representative (e.g. the Principal, CEO, or Lead Administrator) of the charter school or chartering authority as applicable.

## Instructions for Charter School Revolving Loan Fund Application

| Loan Request Information Section | |
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| **Field:** | **Information Required:** |
| ▪ Loan Amount Requested *(maximum $250,000 per Charter School)* | • Indicate the dollar amount of CSRLF funding requested. |
| ▪ Loan Repayment Period Requested *(1 to 5 years)* | • Indicate the number of years the loan will be repaid—through the offset of the school's allocation through the state apportionment process. |

| Applicant Information Section | |
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| **Field:** | **Information Required:** |
| ▪ Applicant Name | • Name of charter school or chartering authority. |
| ▪ Contact Name and Title<br>▪ Contact Mailing Address, City, State and Zip Code<br>▪ Contact Email Address<br>▪ Contact Phone Number | • Name, title, and contact information of charter school or chartering authority representative CSFA can contact with questions about the application. |

| Charter School Information Section | |
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| **Field:** | **Information Required:** |
| ▪ Charter School Name | • Official name of charter school as registered with the CDE. |
| ▪ Charter School CDS Code | • 14-digit code assigned to charter schools authorized by the State Board of Education in the following format: xx-xxxxx-xxxxxxx.<br>☞The first two digits identify the county code, the next five digits identify the authorizing local education agency, and the last seven digits identify the school code. |
| ▪ Charter School Number | • Number assigned to charter schools authorized by the State Board of Education. |
| ▪ Grade Range | • Grades the charter school is authorized to teach. |
| ▪ Charter School Funding Model (Local or Direct) | • Indicate the school's funding model: local or direct.<br>☞A locally funded or "dependent" charter receives its funding through its authorizing local education agency.<br>☞A direct funded or "independent" charter receives its funding from the treasurer's office in the county in which it is located. |

| **Charter School Information Section (continued)** | |
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| **Field:** | **Information Required:** |
| ▪ Chartering Authority | • Name of charter school's chartering authority, if applicable. |
| ▪ Charter School Principal | • Name of charter school's principal. |
| ▪ Charter School Physical Address | • Physical address of the charter school (**no** PO Box or mailing address). |
| ▪ City, State, Zip Code | |
| ▪ Date of Charter Approval | • Date the charter was approved by the school's authorizing Local Educational Agency (LEA).<br>☞LEA could be the School District, County Board of Education, or State Board of Education. |
| ▪ Date of Charter Expiration | • Date the charter expires. |
| ▪ Current Average Daily Attendance (%) | • If applicable, average daily attendance (ADA) by students at time of submitting this application. |
| ▪ Students Eligible for Free or Reduced Price Meals (%) | • If applicable, number of students eligible for free or reduced price meals divided by total number of students at time of submitting this application (e.g. 15 eligible students ÷ 40 total students = 37.5%). |
| ▪ Date Charter Began Operations | • Date charter opened with first day of instruction.<br>☞If not yet in operation, provide planned date of charter operations. |
| ▪ Number of Students Currently Enrolled | • If applicable, total number of students enrolled at time of submitting this application. |
| ▪ Estimated Average Daily Attendance | • Expected average daily attendance over the life of the loan repayment period.<br>☞Briefly explain how average daily attendance was estimated. Assumptions should contain sufficient detail to allow CSFA to determine reasonableness of attendance figures (e.g. Assumes Student 1 attends 140 days of the 150 days of school taught: 140 days attended ÷ 150 days of taught = 0.93 ADA) |
| ▪ English Learners (%) | • Number of English Learners Students divided by Total Number of Students (e.g. 10 English learners ÷ 40 total students = 25%)<br>☞See the Definition of "English Learner" by the CDE at: http://www.cde.ca.gov/ds/sd/cb/glossary.asp#el |

| **Additional Documents Required Section** | |
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| **Field:** | **Information Required:** |
| 1. Written Request | • Using a letter format, summarize the financial needs of the charter school and how CSRLF funding will impact the school's operations.<br>Provide a brief description of the school's business plan and intentions for creative uses of the funds (e.g. loan guarantees).<br>Describe what effect receipt of CSRLF funding will have on the school's other public or private financing, and whether other funding sources are available to the school. |

| **Additional Documents Required Section (continued)** | |
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| **Field:** | **Information Required:** |
| 2. Financial Documentation | **a. Audited Financial Statements:**<br>☞If available, provide audited financial statements.<br>☞Typical financial statements include assets, liabilities, and equity on the Statement of Financial Position (also known as a balance sheet); income, expenses, and fund balance changes on the Statement of Revenues, Expenditures, and Changes in Net Assets (also known as an income statement); and operating, investing, and financing activities on the Statement of Cash Flows.<br>**b. Adopted Budget & Budget Projections:**<br>Provide an *adopted* budget for the first fiscal year applicant is applying for the loan and provide *budget projections* for at least the five fiscal years beyond the fiscal year for which the applicant is applying.<br>Briefly explain how budget assumptions were made and describe the calculations/basis behind each budget line item. Assumptions should contain sufficient detail to allow CSFA to determine reasonableness of budget figures (e.g. teacher salary expenditures are calculated using number of teachers multiplied by average salary amount for teachers given the estimated ADA of the charter school).<br>☞Typical budgets and budget projections include assumptions for revenues and expenditures over a defined period of time such as fiscal year(s), calendar year(s), etc.<br>☞Budget expenditures may be based on costs for salaries and wages for teachers and administrative support; books and supplies; services and other operational expenses such as rentals, leases, furniture and fixtures, repairs, communications, insurance, dues and memberships, and conferences.<br>☞Budget revenue sources may include state revenues (allocations, lottery, special education, other grants); federal revenues (public charter school grant program (PCSGP), child nutrition, special education local plan area (SELPA)); and local revenues (general purpose entitlement in lieu of property tax, start-up capital, fundraising, private foundations/grants).<br>**c. Private Funding:**<br>Provide information on private funding for past years (if applicable), current year, and anticipated future private funding.<br>**d. Debt:**<br>Provide a listing of all existing and anticipated short- and long-term debt obligations including loans, lines of credits, etc. Include the total amounts, annual amounts, interest rates, and maturity dates, along with any payment schedules. |

| **Additional Documents Required Section (continued)** | |
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| **Field:** | **Information Required:** |
| 3. Operational Documentation | • **Articles of Incorporation:**<br>Provide the charter school's Articles of Incorporation with accompanying letter from the California Secretary of State (SOS) confirming the charter school's incorporation status.<br>☞Additional information on corporations and articles of incorporation is available at the SOS website: http://www.sos.ca.gov/business/be/forms.htm<br>• **Legal Status Questionnaire (LSQ):**<br>Instructions for the LSQ are on the form itself. The form is attached to the application as Attachment A.<br>• **Business Plan/Strategic Plan:**<br>A charter school's business or strategic plan for at least the next four academic years may describe the school's mission, short and long term goals and how it intends to achieve those goals. It may contain marketing strategies, cost and financing options, and budgets.<br>• **List of Board of Directors:**<br>Provide a list of charter schools' board of directors, including the name, occupation, city of residence (no full addresses), and terms of office.<br>• **Resumes of Key Staff:**<br>For each key staff member such as the CEO, President, Operations Manager, CFO, Principal, Lead Administrator, etc., provide a resume of qualifications.<br>• **Enrollment Data:**<br>Provide student enrollment and average daily attendance information for past years (if applicable), current year (if applicable), and projections for the next five academic years—grouped by grade level.<br>☞For projected enrollment data, briefly explain how enrollment projections were determined. Projections should contain sufficient detail to allow CSFA to assess reasonableness of enrollment data (e.g. enrollment data is based on school's capacity with first year enrollment at 5 percent below capacity, second year enrollment at capacity, etc.).<br>• **Student Population:**<br>Provide the targeted student population and retention rates for all years the school has been in operation (if applicable).<br>• **Contracts:**<br>Provide a listing of all *current* contracts between the charter school and outside vendors or consultants. Indicate the contracts' value and effective dates.<br>Provide a listing of all *future* contracts the charter school anticipates to enter into when CSRLF funds are received. Include expected contract values. |

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| | • **Charter:**<br>Provide a valid current charter between the applicant and its authorizer. The charter should indicate the school's charter expiration date. If the school is not yet in operations and has not yet been approved by its authorizer, a charter petition with documentation confirming the submission for approval will be accepted. |
| 4. Operational Questions | • Is the charter school a conversion? Mark either Yes or No.<br>• Does the charter school have a renewed charter? Mark either Yes or No.<br>• Is the charter school under a charter management organization (CMO) or an education management organization (EMO)? Mark either Yes or No.<br>• If the charter school is under a CMO or EMO, did the CMO or EMO previously apply for another loan(s) on behalf of another charter school(s)? Mark either Yes or No. If Yes was marked, please provide an attached list of school names and their CDS codes. |
| ▪ Chartering Authority Applicants Only | • **Agreement or Memorandum of Understanding:**<br>Formal written agreement between the charter school and chartering authority defining each entity's roles and responsibilities. |