

California School Finance Authority (CSFA)
Charter School Revolving Loan Fund
Program (CSRLF) Webinar



January 16, 2019

10:00-11:00 a.m.

- For technical issues, contact GoToWebinar (GoToMeeting) at 1(877) 582-7011 or <https://support.logmeininc.com/gotowebinar>
- Live captioning is available at <https://www.streamtext.net/player?event=CDIAC>

Introductions

CSFA Presenters:

Katrina Johantgen – Executive Director

Ryan Storey – Co-Lead Analyst

Kristen Schunk – Co-Lead Analyst



csrlf@treasurer.ca.gov

Agenda

- Overview
- Eligibility
- Funding Round Updates
- Application Overview
- Application Submission
- Review Process
- Funding Process
- Contact Info



Overview

- ❑ Effective July 1, 2013, CSFA began oversight of the program.
- ❑ CSRLF is a state-funded loan program that provides low-interest loans of up to \$250,000 to new charter schools.
- ❑ CSFA has awarded **\$47.1 million** to **191 charters**.
- ❑ Pooled Money Investment Account (PMIA)average annual yield for 2017-18 was 1.376%.



Overview

❑ Loan Uses-

- ❖ Expenses a brand new charter school may incur, such as, teacher salaries, curriculum, furniture, etc.



Eligibility

*Charter School Revolving Loan Fund
Program Regulations:
Section 10170.18. (a)-(k)*

- ❑ Charter School or a Chartering Authority
- ❑ Established pursuant to Education Code
- ❑ Charter approval



Eligibility

- ❑ Articles of Incorporation (if independent)
- ❑ Not a conversion
- ❑ Has not had its charter renewed
- ❑ No material legal issues



Eligibility

- ❑ Has not received \$250,000
- ❑ In compliance with all CSFA programs
- ❑ In good standing with its charter authorizer
- ❑ Application must be complete



Funding Round Updates



- ❑ 2017-18 - Awarded \$9.32MM to 38 schools
 - ❖ Changes made to help limit future defaults; including attendance monitoring and disbursing awards incrementally
- ❑ 2018-19 – Approximately \$8MM available to fund 32 schools

Application Overview


- ❑ Loan application, Program Regulations, & FAQ's are available on CSFA's website at

<http://www.treasurer.ca.gov/csfa/csrlf/index.asp>



Application Overview

□ Login Page



CALIFORNIA SCHOOL FINANCE AUTHORITY (CSFA)

Please Login

Please Log In to submit a new application or complete an existing application.

Email Address:

Password:

[Forgot Password?](#)

For new applicants, please register for an account so you will be able to save your application information and complete it later if necessary.
[Register here if you do not have an account.](#)

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Application Overview

■ Welcome Page

Charter School Revolving Loan Fund Program

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

WELCOME to CSFA's Web Application for the Charter School Revolving Loan Fund Program. This program provides low-interest loans of up to \$250,000 to new charter schools to assist them with start-up costs. The Applicant will be allowed to login and out of the application using their login and password. Before beginning the application, please review the instructions below to help with your successful submission.

- Applicant may save their application by clicking "Save & Continue" at the the end of each page.
- Applicant must submit an answer for each field.
- Each upload must be a PDF file type and no more than 5,000 KB.
- Applicant must click the finished check box at the bottom of each page to submit its answers.
- For application guidance, the applicant may review Program Regulations & FAQ's listed on the [CSRLF website](#) or contact the CSFA at (916)651-7710 or csrif@treasurer.ca.gov.
- Applicant will NOT be able to re-enter the application once submitted.
- To be eligible for funding, the applicant must submit the application by the due date posted on the CSFA website

Please enter your 14 digit (no dashes or spaces) CDS Code to submit a new 2019 - 2020 application or search for an existing application to complete.

CDS Code

Continue

If your school does not have a CDS Code yet, please click on [No CDS Code - Submit New Application](#) to start.

Application Overview

Page 1, Applicant-Charter Information

Charter School Revolving Loan Fund Program
Applicant-Charter Information

Loan Request Information:

Loan Amount Requested (maximum \$250,000 per Charter School): Loan Repayment Period Requested (1 to 5 years):

Charter School Information:

Official Name of Charter School: Charter #: Country-District-School Code:

Affiliated Organization (If not applicable, type N/A): Chartering Authority:

Contact Person: Title:

Phone Number: Email Address:

Mailing Street Address: City: State: Zip Code:

Physical Street Address: City: State: Zip Code:

If school does not yet have a Physical Address, explain reason:

Date of Charter Approval: OR Expected Date of Charter Approval:

Approved Charter Term: to: Opening Date of School:

Elementary School Attendance Area (Projected if unknown):

Elementary School Name: CDS Code (14 digit no dashes or spaces):

☐ Check if the Applicant-Charter Information on this page is complete

DO NOT use your browser BACK button, as this may prevent data from being saved.

Application Overview

- Page 2, Applicant-Charter Information/Charter School Questions

Applicant-Charter Information

Please select one:

☒ Option A: Application is submitted by charter school that is incorporated

Corporation Name:

Upload -> Articles of Incorporation of the Charter School as approved by the California Secretary of State.
(Must be a PDF file and no more than 5,000 KB)

No file chosen

☐ Option B: Application is submitted by a Chartering Authority on Behalf of a Charter School

Charter School Questions

Answer the following questions:

1. Is the school in operation?
☐ Yes ☐ No

2. If the school is not currently in operation, has the school submitted their petition to a chartering authority?
☐ Yes ☐ No ☐ N/A

3. Is the school a conversion?
☐ Yes ☐ No

4. Has the school's charter been renewed?
☐ Yes ☐ No

5. Previously, has the school received a loan through the Program?
☐ Yes ☐ No

If Yes, when was the loan awarded?

If Yes, how much was the loan award?

6. If the school is operated by an affiliated organization, does the affiliate have other schools that were previously awarded?
☐ Yes ☐ No ☐ N/A

If Yes, please provide a list of school names, award dates, and award amounts.

7. Please list all CSFA programs in which the school has been an applicant. (If not applicable, answer N/A)

8. What kind of school is the charter?
☐ Classroom Based ☐ Non-Classroom Based ☐ Hybrid

☐ Check if the Applicant-Charter Information on this page is complete.

DO NOT use your browser BACK button, as this may prevent data from being saved.

Application Overview

❑ Page 3, Written Request/ Operational Documents

Charter School Revolving Loan Fund Program

Written Request

Please describe the financial needs of the charter school, justifying the loan and a brief description of the intended uses of the loan proceeds. (Limit of 2000 characters)

[Redacted text area]

Operational Documents

Most recent business plan and/or strategic plan for at least the next five academic years. (If information is provided in the Charter Petition, answer N/A)

☐ N/A

OR

Upload (Must be a PDF file and no more than 5,000 KB)

No file chosen

Application Overview

Page 3, Written Request/ Operational Documents (Continued)

Operational Documents

Most recent business plan and/or strategic plan for at least the next five academic years. (If information is provided in the Charter Petition, answer N/A).

☐ N/A

OR

Upload (Must be a PDF file and no more than 5,000 KB)

No file chosen

Listing of applicant's board of directors including their occupations, cities of residence, and terms of office.

Upload (Must be a PDF file and no more than 5,000 KB)

No file chosen

Resumes of charter school key staff members (e.g. CEO, President, Operations Manager, CFO, Principal, etc.)

Upload (Must be a PDF file and no more than 5,000 KB)

No file chosen

Enrollment and attendance for the current year (if in operation) and at least the five academic years beyond the year for which the applicant is applying (Total of 5 years; 6 years for schools already in operation).

Upload (Must be a PDF file and no more than 5,000 KB)

No file chosen

Targeted student population/demographics, including but not limited to % FRPM and % English learners.

Upload (Must be a PDF file and no more than 5,000 KB)

No file chosen

Listing of all material contracts such as management, support services, transportation, and any anticipated contracts involving use of space or equipment; including: name of contractor, service, term, and annual amount.

Upload (Must be a PDF file and no more than 5,000 KB)

No file chosen

A valid current charter between the applicant and its authorizer, along with verification of charter approval and charter term (OR) a charter petition with documentation confirming the submission for approval.

Upload (Must be a PDF file and no more than 5,000 KB)

No file chosen

☐ Check if the Operational Document is complete

DO NOT use your browser BACK button

	# of Classes/ Class Size/Total Enrollment	2016-17	2017-18	2018-19	2019-20	2020-21
9	Total Enrollment	125	125	125	125	125
10	Total Enrollment	0	125	125	125	125
11	Total Enrollment	0	0	110	110	110
12	Total Enrollment	0	0	0	100	100
Total Enrollment, 9 - 12		125	250	360	460	460
Average Attendance Rate, 9 - 12		94%	94%	94%	94%	94%
Total ADA, 9 - 12		117.50	235.00	338.40	432.40	432.40

Application Overview

Page 4, Financial Documents

Charter School Revolving Loan Fund Program Financial Documents

Audited financial statements (if not available, answer N/A).

☐ N/A

OR

Upload (Must be a PDF file and no more than 5,000 KB)

No file chosen

Budget projections for the current year (if in operation) and at least the five fiscal years beyond the fiscal year for which the applicant is applying. (5 years total, 6 years for schools already in operation) & assumptions.

Upload (Must be a PDF file and no more than 5,000 KB)

No file chosen

Listing and verification of other sources of funding, i.e. private contributions, fundraising, grants, etc. (If not applicable, answer N/A).

☐ N/A

OR

Upload (Must be a PDF file and no more than 5,000 KB)

No file chosen

Listing and verification of the total amounts, annual amounts, interest rates, and maturity dates of all existing and anticipated short- and long-term debt obligations (If not applicable, answer N/A).

☐ N/A

OR

Upload (Must be a PDF file and no more than 5,000 KB)

No file chosen

Describe the impact the receipt of the loan will have on the charter school's operation and receipt of other public or private financing. (Limit of 2000 characters)

Describe any plans for creative uses of the funds, such as loan guarantees or types of credit enhancements. (Limit of 2000 characters)

☐ Check if the Financial Documents are complete.

DO NOT use your browser BACK button, as this may prevent data from being saved.

Application Overview

Page 4, Financial Documents (CONTINUED)

	Actual	Projected	Projected	Projected	Projected	Projected
	FY2016-17	FY2017-18	FY2018-19	FY2019-20	FY2020-21	FY2021-22
	2017	2018	2019	2020	2021	2022
REVENUES						
<u>State Revenue:</u>						
Revenue Limit Sources (8010-8099)						
Other State Revenues (8300-8599)						
Sub-Total State Revenues	-	-	-	-	-	-
Federal Revenues (8100-8299)						
Local Revenues (8600-8799)						
<u>Other Sources:</u>						
Interfund Transfers In (8910-8929)						
Other Financing Sources (8930-8979)						
Contributions (8980-8999)						
Sub-Total Other Sources	-	-	-	-	-	-
Total Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENSES						
Certificated Personnel Salaries (1000-1999)						
Non-Certificated Personnel Salaries (2000-2999)						
Employee Benefits (3000-3999)						
Books and Supplies (4000-4999)						
Operating Services exclusive of facilities & equipment leases (5000-5999)						
Facilities Rent (5610)						
Equipment Lease (5620)						
Capital Outlay (6000-6500)						
Other Outgo (7000-7299)						
Indirect/Direct Support Costs (7300-7399)						
Debt Service-Interest (7438)						
Debt Service-Principal (7439)						
Depreciation (6900)						
<u>Other Uses:</u>						
Interfund Transfers Out (7600-7629)						
Other Financing Uses (7630-7699)						
Sub-Total Other Uses	-	-	-	-	-	-
Total Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Application Overview

Page 5, Legal Status Questionnaire/ Charter School Certification

Charter School Revolving Loan Fund Program

Legal Status Questionnaire

Answer the following questions:

1. Disclose material information relating to any legal or regulatory proceeding or investigation in which the applicant/borrower/project sponsor is or has been a party and which might have a material impact on the financial viability of the project or the applicant/borrower/ project sponsor. Such disclosures should include any parent, subsidiary, or affiliate of the applicant/borrower/project sponsor that is involved in the management, operation, or development of the project.

☐ N/A

☐ See Attached

2. Disclose any civil, criminal, or regulatory action in which the applicant/borrower/project sponsor, or any current board members (not including volunteer board members of non-profit entities), partners, limited liability corporation members, senior officers, or senior management personnel has been named a defendant in such action in the past ten years involving fraud or corruption, or matters involving health and safety where there are allegations of serious harm to employees, the public, or the environment.

☐ N/A

☐ See Attached

Disclosures should include civil or criminal cases filed in state or federal court; civil or criminal investigations by local, state, or federal law enforcement authorities; and enforcement proceedings or investigations by local, state or federal regulatory agencies. The information provided must include relevant dates, the nature of the allegation(s), charters, complaint or filing, and the outcome.

[Click here to download signature form](#)

Upload Signature ->

Upload (Must be a PDF file and no more than 5,000 KB)

No file chosen

Upload Response Documents ->

Upload (Must be a PDF file and no more than 5,000 KB)

No file chosen

Application Overview

Page 5, Legal Status Questionnaire/ Charter School Certification (Continued)

Charter School Certification

● Option A Certification:

Application is submitted by charter school that is incorporated:

The undersigned hereby request(s) a loan from the Charter School Revolving Loan Fund in accordance with Education Code sections 41365-41367. I hereby certify to the best of my knowledge and belief, that the above information and supporting documents are true and correct and that any loan funds received as a result of this application will be used in accordance with Education Code Section 41365, all other applicable state and federal laws and regulations, general legal assurances, and instructions for the loan application. By signing this document the incorporated charter school that is requesting the loan is assuring the repayment of the loan in full, even in the event of closure of the charter school or the charter school's inability to make annual repayments.

● Option B Certification:

Chartering authority is applying for and guarantees repayment of loan:

The undersigned hereby request(s) a loan from the Charter School Revolving Loan Fund in accordance with Education Code sections 41365-41367. I hereby certify to the best of my knowledge and belief, that the above information and supporting documents are true and correct and that any loan funds received as a result of this application will be used in accordance with Education Code Section 41365, all other applicable state and federal laws and regulations, general legal assurances, and instructions for the loan application. By signing this document the chartering authority that is requesting the loan is assuring the repayment of the loan in full, even in the event of closure of the charter school or the chartering authority's inability to make annual repayments.

[Click here to download signature form](#)

Upload Signature ->

Upload (Must be a PDF file and no more than 5,000 KB)

Choose File No file chosen

File uploaded: TEST.pdf

☒ Check if the Legal Status Questionnaire and Charter School Certification are complete.

DO NOT use your browser BACK button, as this may prevent data from being saved.

[Submit Application](#)

[Review/Edit Application](#)

SUBMISSION

Application Submission

- ❑ Deadline is Friday, February 22nd by 5PM.
- ❑ No late applications will be accepted.
- ❑ Paper applications are available upon request.



Review Process

- ❑ Notice of received application
- ❑ Priority 1 school review (Schools opening in Fall 2019)
- ❑ If funds are still available after Priority 1 approvals, Priority 2 schools will be reviewed (Schools already in operation)



Initial Funding Process



- ❑ Loan Recommendations go to CSFA Board for approval (Between June and November)
- ❑ Applicant must meet the funding criteria for its first disbursement
- ❑ Schools are to execute CSFA loan agreement & governing board resolution
- ❑ CSFA initiates loan disbursement process
- ❑ School receives first disbursement (Within 4-6 weeks)

Contact Information

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