

## RESOLUTION NO. 11-32

### RESOLUTION APPROVING FINANCIALLY SOUND DETERMINATIONS FOR THE CHARTER SCHOOL FACILITIES PROGRAM AND THE APPLICATIONS FOR ADVANCE APPORTIONMENT RECEIVED FOR THE FEBRUARY 2011 LOTTERY

June 27, 2011

**WHEREAS**, the Charter School Facilities Program (Program) was established (Statutes of 2002) for the purpose of providing charter schools with funding to construct new facilities and modernize old facilities; and

**WHEREAS**, modeled after the State's School Facilities Program, the Program funds 50 percent of facilities project costs as a grant from the State, and 50 percent as a lease, which the charter school is responsible for repaying to the State; and

**WHEREAS**, the California School Finance Authority (Authority) and the State Allocation Board (Board), staffed by the Office of Public School Construction, are jointly designated to administer this per-pupil facilities aid Program, and the Authority is authorized by Education Code section 17078.57 to determine whether applicants to the Program are financially sound for purposes of the Program at the time of Preliminary, Advance, and Final Apportionment; and

**WHEREAS**, the State Allocation Board allocated \$47,613,970 in available cash proceeds to the Program for advance fund releases to Preliminary Apportionment recipients under Propositions 47, 55 and 1D for design and/or site acquisition, based on requests for funding received for the February 2011 lottery to determine funding order; and

**WHEREAS**, the Authority has reviewed, through the methodology established pursuant to Education Code 17078.5, the eligible requests for an Advance Apportionment and made the determinations (with certain contingencies for some charter schools) concerning each request, as listed on Exhibit A of this resolution, indicating whether or not each charter school was found financially sound for purposes of an Apportionment under the Program; and

**WHEREAS**, these determinations as they relate to those charter schools determined to be financially sound for purposes of an Advance Apportionment, are in place for six months and assumes no financial, operational, or legal material findings within this time period.

**NOW, THEREFORE, BE IT RESOLVED** by the California School Finance Authority as follows:

**Section 1.** The Authority approves the determinations of financial soundness, including stated contingencies, for the awardee charter schools as individually listed on Exhibit A of Resolution No. 11-32, for the purposes of the Charter School Facilities Program. For those charter schools that are found financially sound, the determination is in place for Advance Apportionment, and in some cases, conditional approval for Final Apportionment. This determination as it relates to the Advance Apportionments (and Final Apportionments, if applicable) is in place for six months and assumes no financial, operational, or legal material findings within this time period.

**Section 2.** The Executive Director of the Authority is hereby authorized, for and on behalf of the Authority, to notify the State Allocation Board and the Office of Public School Construction and provide documentation regarding its determinations of financial soundness for the referenced charter schools.

**Section 3.** This resolution shall take effect immediately upon its approval.

Date of Adoption: June 27, 2011

**Exhibit A**

**Advance Apportionment Requests  
 February 2011 Applicants**

	<b>Applicant Charter School</b>	<b>Board Action</b>
1	Aspire Antonio Maria Lugo Academy K-5	Found Financially Sound for Purposes of an Advance Apportionment on March 23, 2011
2	Aspire Clarendon (Aspire Junior Collegiate Academy)	Found Financially Sound for Purposes of an Advance Apportionment on March 23, 2011
3	California Montessori Project- Elk Grove	Found Financially Sound for Purposes of an Advance Apportionment on April 13, 2011
4	Camino Nuevo Charter Academy	Found Financially Sound for Purposes of an Advance Apportionment on April 13, 2011
5	Language Academy of Sacramento (NC)	Found Financially Sound for Purposes of an Advance Apportionment on June 8, 2011. This recommendation is based on LAS funding a restricted reserve fund of \$10,000 to meet debt service coverage in the first year of project occupancy.
6	Language Academy of Sacramento (Rehab)	Found Financially Sound for Purposes of an Advance Apportionment on June 8, 2011. This recommendation is based on LAS funding a restricted reserve fund of \$10,000 to meet debt service coverage in the first year of project occupancy.
7	Leadership Public School – Richmond	Found Financially Sound for Purposes of an Advance Apportionment on May 11, 2011
8	Monsenor Oscar Romero Charter Middle (NC)	Found Financially Sound for Purposes of an Advance Apportionment on June 8, 2011.
9	Monsenor Oscar Romero Charter Middle (Rehab)	Found Financially Sound for Purposes of an Advance Apportionment on June 8, 2011.
10	New Jerusalem Charter	Found Financially Sound for Purposes of an Advance Apportionment on June 8, 2011.
11	Oakland Military Institute	Found Financially Sound for Purposes of an Advance Apportionment on June 8, 2011. This recommendation is based on OMI using the intercept mechanism to make CSFP payments to the State.

12	Oakland Unity High	Found Financially Sound for Purposes of an Advance Apportionment on June 8, 2011. This recommendation is based on OUHS using the intercept mechanism to make CSFP payments to the State. Additionally, OUHS will subordinate a portion of its management fee to ARC in order to meet debt service payments to the State.
13	Our Community School - Devonshire	Found Financially Sound for Purposes of an Advance Apportionment on May 11, 2011
14	Pacific Technology School - Santa Ana	Found Financially Sound for Purposes of an Advance Apportionment on June 27, 2011
15	Para Los Ninos Charter	Found Financially Sound for Purposes of an Advance Apportionment on June 8, 2011.
16	Santa Ynez Valley Charter (NC)	Found Financially Sound for Purposes of an Advance Apportionment on April 13, 2011
17	Stella Academy Building	Found Financially Sound for Purposes of an Advance Apportionment on March 23, 2011
18	Voices College-Bound Language Academy	Found Financially Sound for Purposes of an Advance Apportionment on May 11, 2011
19	Westlake Charter School	

CERTIFICATE OF THE EXECUTIVE DIRECTOR  
(Attesting to Action of the Authority)  
Sacramento, California

I, Katrina Johantgen, Executive Director of the California School Finance Authority, hereby certify that the foregoing is a full, true, and correct copy of Resolution No. 11-32 of the California School Finance Authority, Approving Financially Sound Determinations for the Charter School Facilities Program and the Applications for Advance Apportionment Received for the February 2011 Lottery, adopted at a meeting of the California School Finance Authority held at 915 Capitol Mall, Conference Room 587, Sacramento, California 95814, on June 27, 2011, for which meeting all of the members of said Authority had due notice; and that at the meeting the staff recommendation was adopted by the following votes:

AYES: Patricia Wynne, designee for California State Treasurer Bill Lockyer  
Kathleen Moore, designee for Superintendent of Public Instruction  
Tom Torlakson  
Pedro Reyes, designee for Director of Finance Ana J. Matosantos

NOES:

ABSTAINS:

ABSENT:

I further certify that the original minutes of said meeting and a copy of the original Resolution adopted at said meeting are on file in the California School Finance Authority office; and that the Resolution has not been amended, modified, or rescinded in any manner since the date of its adoption, and the same is now in full force and effect.

IN WITNESS WHEREOF, I have executed this certificate and affixed the seal of the California School Finance Authority hereto.

(seal)

June 27, 2011

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Katrina Johantgen, Executive Director