

**CHARTER SCHOOL FACILITIES PROGRAM  
PROPOSITION 1D FUNDING ROUND  
STAFF SUMMARY REPORT – JULY 2011**

<b>Applicant/Obligor:</b>	Green Dot Public Schools
<b>Project School:</b>	Animo Pat Brown Charter High School
<b>CDS (County – District – School) Code:</b>	19-64733-0106849
<b>Proposed Project Location:</b>	Jefferson High School Area of So. LA
<b>Type of Project:</b>	New Construction
<b>County:</b>	Los Angeles
<b>District in which Project is Located:</b>	Los Angeles Unified School District
<b>Charter Authorizer:</b>	Los Angeles Unified School District
	Proposition 55: \$12,142,552
	<u>Proposition 1D: \$ 5,126,676</u>
<b>Total OPSC Project Cost:</b>	Total: \$17,269,228
<b>State Apportionment (50% Project Cost):</b>	\$8,634,614
<b>Lump Sum Contribution:</b>	\$0
	Proposition 55: \$6,071,276
	<u>Proposition 1D: \$2,563,338</u>
<b>Total CSFP Financed Amount:</b>	Total: \$8,634,614
<b>Length of CSFP Funding Agreement:</b>	30 years
<b>Assumed Interest Rate:</b>	3.00%
	Proposition 55: \$309,752
	<u>Proposition 1D: \$130,805</u>
<b>Estimated Annual CSFP Payment:</b>	Total: \$440,557
<b>First Year of Occupancy of New Project:</b>	2014-15

**Staff Recommendation:** Staff recommends that the California School Finance Authority (CSFA) Board determine that Green Dot Public Schools (Green Dot), on behalf of Animo Pat Brown Charter High School (Animo Pat Brown), is financially sound for the purposes of the Charter School Facilities Program (CSFP or the Program) Preliminary and Advance Apportionment, but not for purposes of Final Apportionment. This determination of financial soundness is contingent upon Green Dot's execution of an agreement as a co-borrower for the CSFP loan obligation. This determination of financial soundness is also contingent upon Green Dot's execution, on behalf of Animo Pat Brown, of an Implementation Agreement with CSFA, the State Controller's Office and CDE, at the appropriate time, whereby CSFA will intercept Animo Pat Brown's state-aid portion of its General Purpose Block Grant at regular intervals to satisfy the payment requirements of its CSFP obligations. This determination as it relates to a Preliminary Apportionment is in place for six months and assumes no financial, operational, or legal material findings within this time period. Staff recommends that the CSFA Board direct staff to notify the Office of Public School Construction and the State Allocation Board regarding this determination.

**Background:** Green Dot, on behalf of Animo Pat Brown, is seeking an additional \$5.13 million of Proposition 1D financing to supplement \$12.14 million of Proposition 55 financing

for which Animo Pat Brown (under its previous name, Animo Downtown Charter High School) received Preliminary Apportionment in February 2005. On March 23, 2010, as an Applicant under the 2009-10 Proposition 1D Funding Round, Staff recommended and the Authority Board found Green Dot, on behalf of Animo Pat Brown, to be financially sound for purposes of preliminary apportionment. As a result of the Office of Public School Construction’s assignment of preference points, Animo Pat Brown did not receive an award during that funding round. However, because Animo Pat Brown ranked sufficiently high during that Funding Round, and certain awardees withdrew their reservation of funds for preliminary apportionment, Green Dot became eligible to reapply for Proposition 1D preliminary apportionment. It is noteworthy that, although Green Dot originally requested, and was found financially sound for, \$20.57 million under Proposition 1D, based on the revised project scope and design, OPSC has reduced this amount to \$5.13 million.

During the 2009 Proposition 1D Funding Round, Green Dot, as education management organization (EMO) and co-borrower, applied for CSFP Preliminary Apportionment for three schools, including Animo Pat Brown, Animo South Los Angeles, and Animo Leadership. In addition to Animo Pat Brown, Animo South Los Angeles also previously received preliminary apportionment awards under Proposition 55, and Animo Leadership previously received a preliminary apportionment award under Proposition 47. Four other Green Dot schools, Animo Justice, Animo Jackie Robinson, Animo Venice, and Animo Oscar De La Hoya, also previously received preliminary apportionment awards under either Proposition 55 or Proposition 1D (2007 Funding Round).

**Application Highlights:** Below, Staff has highlighted key criteria that were evaluated when conducting the financial soundness review of Animo Pat Brown. Detailed information is contained in the body of the report.

<b>Criteria</b>	<b>Comments</b>
<b>Eligibility Criteria</b>	Animo Pat Brown meets all eligibility criteria, including having been in operations for more than two years, having a charter in place through June 2014, and being in good standing with its chartering authority and in compliance with the terms of its charter.
<b>Demographic Information</b>	Starting with an initial class of 145 ninth graders in 2006-07, and adding a grade each successive year up to grade 12, Animo Pat Brown has shown consistent student enrollment growth up to its enrollment for 2010-11 of 587 students in grades 9-12. Animo Pat Brown anticipates maintaining its current level of student enrollment through 2016-17.
<b>Debt Service Coverage</b>	Debt service coverage from school revenues is projected to be 152.1% and 151.4% in 2015-16 and 2016-17, respectively.
<b>Other Financial Factors</b>	1. The CSFP lease would be supported by Green Dot, as EMO and co-borrower. 2. Animo Pat Brown’s Net Working Capital as of June 30, 2010 was \$296,233, or 5.4% of total expenses, which is above the minimum 5.0% level necessary to be considered sufficient.
<b>Student Performance</b>	Animo Pat Brown met all AYP criteria for the past three years, 2007-08 through 2009-10, as well as its API growth targets in two of the past three years, 2007-08 and 2009-10. Based on its API base scores for both 2008-09 and 2009-10, Animo Pat Brown achieved statewide and similar schools rankings of “7” and “10” (“10” = best), respectively.

**Program Eligibility:** Animo Pat Brown’s current charter, which was renewed in June 2009, is valid through June 2014. On June 28, 2011, staff received verification from the Charter School Division of Los Angeles Unified School District, confirming that Animo Pat Brown is (1) in compliance with the terms of its charter agreements, and (2) is in good standing with its chartering authority.

**Legal Status Questionnaire:** Staff reviewed the Applicant’s responses, dated June 21, 2011, to the questions contained in the Legal Status Questionnaire (LSQ). Green Dot answered “None” to all LSQ questions. Hence, no information was disclosed that would lead the staff to question the financial or legal integrity of this Applicant.

**Project Description:** Green Dot, on behalf of Animo Pat Brown, received Preliminary Apportionment of \$12.14 million under Proposition 55 for new construction of permanent facilities for Animo Pat Brown. Green Dot has applied for \$5.13 million of additional funding under Proposition 1D (2009 Funding Round) for new construction, based on additional project costs. The site for the new facility has not yet been identified, but is expected to be located within a three-to-four mile radius of the intersection of South Alameda Blvd. and Firestone Blvd. Green Dot expects that the facilities will consist of between 30,000 and 45,000 square feet, for a student population of approximately 590 students in grades nine through twelve. Green Dot anticipates project completion and initial project occupancy in September 2014. Animo Pat Brown is currently leasing temporary space at 8255 Beach St. in Los Angeles, approximately four miles south of Thomas Jefferson High School.

Animo Pat Brown, along with Animo Justice, Animo Ralph Bunche, Animo Jackie Robinson, and Animo Film & Theater Arts (no longer in operated Green Dot Public Schools), were opened in 2006-07 as part of Green Dot’s Jefferson High School transformation project, after five previous Green Dot schools were established from 2000-01 through 2005-06. Green Dot’s basic high school model involves each school opening with a ninth grade of approximately 140 students, adding a new grade in each year, and reaching a maximum of approximately 525 students in grades 9-12 in the fourth year of operations. Although Animo Pat Brown has generally followed this model, its current enrollment of 588 now exceeds the model, and Animo Pat Brown is expected to maintain this level of enrollment in the future. Program guidelines have been revised to accommodate more students due to high student demand, facility capacity, and fiscal constraints from the State budget. Green Dot identifies the following as key sensitivities in this unit model: a) State apportionment revenues per average daily attendance (ADA); b) ADA as a percent of total enrollment; c) teacher salaries; and d) facility costs.

**Educational Management Organization:** Green Dot (legal name Green Dot Educational Project, Inc.) is a 501(c)(3) nonprofit public benefit California Corporation, incorporated in 1999. In the 2011-12 school year, Green Dot will operate 19 charter high schools in the Los Angeles area. Green Dot has moderated school growth projections to approximately 20-25 high schools by 2012-13 compared to prior projections of 31 schools by 2010-11.

Although Green Dot has listed itself as guarantor on all its schools’ applications, Green Dot is formally a co-borrower rather than guarantor, since the organization is not legally separated from the school. In the event of lease default, the CSFA would have recourse first to the school’s assets, and then recourse on parity with other creditors to Green Dot as

an EMO. Other creditors would have first recourse to schools with associated obligations under the Green Dot umbrella. Green Dot's management has over two years of charter school management experience. Green Dot's management is discussed in staff's review of Green Dot as an EMO, under separate cover.

**School Management Experience:** Joshua Hartford has served as Principal of Animo Pat Brown since August 2009. Previously, Mr. Hartford was a School Coordinator for Los Angeles Unified School District in addition to teaching science at Alain Leroy Locke High School. Mr. Hartford graduated with a Masters in Secondary Education from Loyola Marymount University and a received a B.S. in Biochemistry and Molecular Biology from Brown University.

**Educational Management Organization:** Green Dot's home office is responsible for developing new schools, back-office management, fundraising, and advocacy initiatives. Green Dot's home office management costs are paid through fundraising and through a management fee of 6% of individual school revenues. The organization has stated that school management fees will be subordinated to support any CSFP lease payments.

Unusually for a charter school operator, Green Dot has a teachers' union, the Asociacion de Maestros Unidos. Green Dot believes the presence of a union is advantageous in attracting qualified teachers and in improving relations with LAUSD.

Green Dot is governed by a board of directors, and led by Steve Barr, Chairman and CEO. Mr. Barr has managed Green Dot since its inception in 1999 and is a State Board of Education appointee to the Advisory Commission on Charter Schools. Mr. Barr has previously served as a finance chair for the national Democratic Party. Marco Petruzzi, President and Chief Operating Officer, joined Green Dot in January 2007, replacing Marshall Tuck who left the EMO after serving as Chief Operating Officer since 2002. Mr. Petruzzi previously founded an organization providing management and administrative services to charter school management organizations, following fifteen years in management consulting.

**Management Experience for Schools Open Less than Two Years:** Not applicable since Animo Pat Brown has been in operation as a charter school since 2006, and Green Dot has been managing actively operating charter schools since 1999.

**Student Performance:** Because of its implications for student enrollment stability and growth, staff views student performance as a leading indicator of a charter school's financial position. Schools with improving student performance trends are viewed favorably, especially if these trends exceed threshold goals set by the school or the California Department of Education (CDE). In order to measure student performance, staff utilizes Academic Performance Index (API) and Adequate Yearly Progress (AYP) trend data generated by the CDE. The API is also used as an indicator for measuring AYP per the No Child Left Behind Act of 2001. Any school not meeting AYP targets would face additional mandates and corrective actions if the school is a recipient of federal Title I funds.

Animo Pat Brown	FY 2006/07	FY 2007/08	FY 2008/09	FY 2009/10
<b>ADEQUATE YEARLY PROGRESS (AYP)</b>				
Met All AYP Criteria?	No	Yes	Yes	Yes
Criteria Met / Required Criteria	17 / 18	18 / 18	18 / 18	17 / 17
Met API Indicator for AYP?	Yes	Yes	Yes	Yes
Met Graduation Rate?	No	Yes	Yes	Yes
<b>ACADEMIC PERFORMANCE INDEX (API)</b>				
Met Schoolwide Growth Target?	N/A	Yes	No	Yes
Met Comparable Improvement Growth Target?	N/A	Yes	No	Yes
Met Both Schoolwide & CI Growth Targets?	N/A	Yes	No	Yes
API Base Statewide Rank (10 = best)	N/A	4	7	7
API Base Similar Schools Rank (10 = best)	N/A	10	10	10
School's Actual Growth	N/A	78	4	37
Similar Schools Median of Actual Growth	N/A	18	12	28
Did School's Growth Exceed Median?	N/A	Yes	No	Yes

Animo Pat Brown has three years of reported API results and four years of reported AYP results. Animo Pat Brown met all AYP criteria for the past three years, 2007-08 through 2009-10. In addition, Animo Pat Brown met its API growth targets in two of the past three years, 2007-08 and 2009-10. Animo received API growth scores of 749, 753, and 790 for 2007-08, 2008-09, and 2009-10, respectively. Based on its API base scores for both 2008-09 and 2009-10, Animo Pat Brown achieved statewide and similar schools rankings of “7” and “10” (“10” = best), respectively.

Notwithstanding Animo Pat Brown’s consistent achievement with AYP for the past three years, Staff notes that the percent-proficient threshold requirement for AYP, both for English-language arts and mathematics, in accordance with the Elementary and Secondary Education Act (ESEA), reflects increases each year and will continue to reflect increases until 2014. Therefore, with each successive year, public schools are increasingly challenged in “making AYP” (meeting all AYP criteria). This requirement applies to both schoolwide performance and performance of each numerically significant subgroup within any public school, including charter schools. As an example, since 2002, the percent-proficient requirements for English-language arts (elementary schools, middle schools, and elementary school districts) are as follows: 13.6% for each of 2001-02, 2002-03, and 2003-04; 24.4% for each of 2004-05, 2005-06, and 2006-07; 35.2% for 2007-08; 46.0% for 2008-09; and 56.8% for 2009-10. This specific requirement will increase up until 2014 with the following percent-proficient thresholds: 67.6% for 2010-11; 78.4% for 2011-12; 89.2% for 2012-13; and 100.0% for 2013-14. The English-language arts percent-proficient requirement for high schools shows a similar trend, as do the percent-proficient requirements for mathematics for both elementary schools and high schools. Given that each numerically significant subgroup within a school must meet the percent-proficient requirement in English-language arts and mathematics in order for the school to make AYP, and given the high prevalence of English-language learners in California, public schools are faced with increasing difficulty in making AYP.<sup>1</sup>

<sup>1</sup> Information regarding AYP requirements are derived from the California Department of Education’s “2010 Adequate Yearly Progress Report Information Guide.”

**School Enrollment:** Animo Pat Brown began operations in 2006-07, with an initial class of 145 ninth graders. Since the start of operations, in adding a grade each year up to the addition of grade 12, Animo Pat Brown has shown consistent growth with 284 students in grades 9 and 10 in 2007-08, 403 students in grades 9–11 in 2008-09, 526 students in grades 9-12 in 2009-10 and 587 students in grades 9-12 for the current 2010-11 school year. Animo Pat Brown projects having 587 students in 2011-12 and in all projected years.

Green Dot reports that Animo Pat Brown's average ADA as a percent of total enrollment was about 94% over the past three years (2007-08 through 2009-10), which provides support for the school's 95% ADA assumption in its financial forecasts. Per the 2010-11 P-2 report, Animo Pat Brown's ADA is 545 or 92.7% of enrollment. However, as the 2010-11 ADA figure is based on the school's initial enrollment rather than average enrollment for the year, the ADA is likely to be higher. For the most recent 2010-11 school year, Animo Pat Brown achieved a 91% year-to-year retention rate, and has a current waitlist of 351 students.

**Financial Performance:** Highlighted in this section are financial data and credit indicators used to evaluate the Animo Pat Brown's ability to meet its CSFP obligations. The table below summarizes key aspects of the school's past and projected financial performance. Please note that the revenue, expenditure and changes to net assets recorded in financial audits and provided in Animo Pat Brown's financial projections have been modified by staff, where necessary, to include capital outlays, operating leases and repayment of debt and other significant obligations, and to exclude non-cash items such as depreciation.

Staff's review of Animo Pat Brown's financial performance is based on audited financial statements for fiscal years 2007-08 through 2009-10, 2010-11 budgeted projections, and financial projections from 2011-12 through 2016-17, as provided by Green Dot. Animo Pat Brown's financial projections are based upon the following assumptions: (1) project occupancy beginning in 2014-15; (2) student enrollment at 587 throughout the projected years; (3) general purpose block grant funding rate of \$5,808 (grades 9-12) beginning in 2011-12; (4) projected ADA rates of 95%, which is consistent with Animo Pat Brown's historical performance; and (5) cost of living adjustment (COLA) on charter school general purpose block grant and other State charter school entitlements of 0.0% for all projected years; and (6) COLA to certificated salaries of 0% for each of the projected years. Given the most recent projections for 2010-11 per ADA funding levels in the Governor's May 2011 Revise report, Staff notes that the assumed general purpose block grant rate of \$5,808 is conservative in comparison to the CDE rate of \$6,118 as of May 2011.

Item 4 – Animo Pat Brown Charter High School

Animo Pat Brown	Actual FY 2008/09	Actual FY 2009/10	Budgeted FY 2010/11	Projected FY 2011/12	Projected FY 2012/13	Projected FY 2013/14	Projected FY 2014/15	Projected FY 2015/16	Projected FY 2016/17
<b>ENROLLMENT PROJECTIONS</b>									
Enrollment	403	526	587	587	587	587	587	587	587
Average Daily Attendance	378	508	545	558	558	558	558	558	558
Average Daily Attendance (%)	94%	97%	93%	95%	95%	95%	95%	95%	95%
<b>FINANCIAL PROJECTIONS</b>									
Total Revenues Available for CSFP Payment	\$ 3,935,184	\$ 5,388,350	\$ 4,353,443	\$ 4,587,462	\$ 4,575,022	\$ 4,576,513	\$ 4,578,019	\$ 4,579,539	\$ 4,576,369
Total Expenses Paid Before CSFP Payment	3,835,560	5,523,876	4,302,982	4,611,483	4,444,435	4,464,798	3,901,116	3,909,579	3,909,259
Accounting Adjustments	131,267	30,152	-	-	-	-	-	-	-
Net Revenues Available for CSFP Payment	\$ 230,891	\$ (105,374)	\$ 50,461	\$ (24,021)	\$ 130,587	\$ 111,715	\$ 676,903	\$ 669,960	\$ 667,110
CSFP Payment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 440,557	\$ 440,557
Net Revenues After CSFP Payment	\$ 230,891	\$ (105,374)	\$ 50,461	\$ (24,021)	\$ 130,587	\$ 111,715	\$ 676,903	\$ 229,403	\$ 226,553
<b>FINANCIAL INDICATORS</b>									
Net Revenues Available for CSFP Payment	\$ 230,891	\$ (105,374)	\$ 50,461	\$ (24,021)	\$ 130,587	\$ 111,715	\$ 676,903	\$ 669,960	\$ 667,110
Debt Service Coverage by Net Revenues	N/A	N/A	N/A	N/A	N/A	N/A	N/A	152.1%	151.4%
Contributions	\$ 534,091	\$ -	\$ 9,060	\$ 23,464	\$ 23,464	\$ 23,464	\$ 23,464	\$ 23,464	\$ 23,464
Debt Service Coverage by Net Revenues (w/out Contributions)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	146.7%	146.1%
CSFP Lease Payment / Revenues	N/A	N/A	N/A	N/A	N/A	N/A	N/A	9.6%	9.6%
Contributions / Revenues	13.6%	N/A	0.2%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
Net Revenues After CSFP Payment / Revenues	5.9%	-2.0%	1.2%	-0.5%	2.9%	2.4%	14.8%	5.0%	5.0%
Revenues / ADA	\$ 10,411	\$ 10,607	\$ 7,988	\$ 8,226	\$ 8,204	\$ 8,207	\$ 8,209	\$ 8,212	\$ 8,207
Expenses / ADA	\$ 10,147	\$ 10,874	\$ 7,895	\$ 8,269	\$ 7,970	\$ 8,006	\$ 6,996	\$ 7,801	\$ 7,800
Surplus (Deficit) / ADA	\$ 264	\$ (267)	\$ 93	\$ (43)	\$ 234	\$ 200	\$ 1,214	\$ 411	\$ 406
Net Working Capital	\$ 414,291	\$ 296,933							
Net Working Capital / Expenses	10.8%	5.4%							

As of June 30, 2010, Animo Pat Brown’s only outstanding debt obligation is in connection with the \$250,000 CDE loan. The loan has a three-year repayment schedule, with annual payments of \$83,333, ending in 2011-12. The school’s projections do not indicate that any additional long-term debt will be incurred except for the Program lease.

**Performance/Change in Net Assets:** For 2007-08, Animo Pat Brown recorded net revenues of \$36,727 on \$2.60 million in revenue and \$2.56 million in expenses. Revenue for 2007-08 was inclusive of interfund transfers/contributions of roughly \$500,000. In 2008-09, the school produced higher revenues and expenses from the prior year as Animo Pat Brown added the eleventh grade. For 2008-09, Animo Pat Brown recorded net revenues of \$349,624 on \$4.18 million in revenues and \$3.84 million in expenses. Animo Pat Brown’s revenue for 2008-09 included contributions of roughly \$500,000. For 2009-10, Animo Pat Brown recorded a net loss of \$136,526 on \$5.39 million in revenues and \$5.46 million in expenses. For the 2010-11 budget year, Animo Pat Brown anticipates net revenues of \$50,461 on \$4.34 million in revenues and \$4.29 in expenses. For 2011-12 Animo Pat Brown anticipates a net loss of \$24,021, and for 2012-13 through 2014-15 (first year of project occupancy), Animo anticipates net revenues of \$130,587, \$111,715, and \$676,903, respectively. For 2015-16 and 2016-17 (first two years of CSFP payments), Animo Pat Brown anticipates net revenues of \$229,403 and \$226,553, respectively, after payment of the projected CSFP lease payment.

Staff notes that, although Animo Pat Brown showed substantial contributions during 2007-08 and 2008-09, no contributions were recorded for 2009-10, and Animo Pat Brown’s multi-year projections show contributions at less than 1% of projected revenues in all projected years. Staff also notes that Animo Pat Brown’s projected annual financial performance includes annual management fees to Green Dot, as EMO, equal to 6% of revenues. The Animo Pat Brown financial analysis conservatively assumed no subordination of the school’s EMO payment although this fee would be made subordinate to any CSFP facility payment.

**Debt Service Coverage:** Assuming a 3.0% interest rate and 30-year repayment period, Animo Pat Brown’s total annual CSFP lease payment (including Proposition 55 and

Proposition 1D Allocations) is projected to be \$440,557 beginning 2015-16. This payment would represent, on average, a reasonable 9.6% of projected revenues in 2015-16 and 2016-17. Animo Pat Brown's projected net revenues in 2015-16 and 2016-17 of \$669,960 and 667,110, respectively, prior to payment of the CSFP lease, would provide debt service coverage of 152.1% and 151.4%. Calculation of debt service coverage in 2015-16 and 2016-17 without contributions is projected to be 146.7% and 146.1%, respectively. In addition to having Green Dot as a co-borrower, Staff finds Animo Pat Brown's ability to withstand unforeseen financial constraints and still meet its CSFP obligation to be strong.

Asset Position and Liquidity: As of June 30, 2010, Animo Pat Brown had net assets of \$292,455, including \$50,000 in cash and \$1,666,306 in accounts receivables. Liquidity is also measured in terms of net working capital (NWC) is calculated by subtracting current liabilities from current assets. Animo Pat Brown's NWC at June 30, 2010 was \$296,233, or 5.4% of total expenses, which represented a decrease from the prior year's \$414,291 at June 30, 2009, or 10.8% of total expenses. As staff considers NWC equivalent to at least 5.0% of total expenses to be sufficient, Animo Pat Brown's most recent audited financials and cash balances indicate sufficient liquidity positions. Green Dot as co-borrower also provides an additional source of liquidity.

### **Strengths, Weaknesses and Mitigants**

- + Green Dot has agreed to serve as a co-borrower to the CSFP obligation
- + Green Dot projects debt service coverage for Animo Pat Brown of 152.1% and 151.4% for 2015-16 and 2016-17
- + Animo Pat Brown met all AYP criteria for the past three years, 2007-08 through 2009-10, as well as its API growth targets in two of the past three years, 2007-08 and 2009-10. Based on its API base scores for both 2008-09 and 2009-10, Animo Pat Brown achieved statewide and similar schools rankings of "7" and "10"
- + Animo Pat Brown has shown consistent student enrollment growth since it commenced instructional operations in 2006-07.

**Staff Recommendation:** Staff recommends that the California School Finance Authority (CSFA) Board determine that Green Dot Public Schools (Green Dot), on behalf of Animo Pat Brown Charter High School (Animo Pat Brown), is financially sound for the purposes of the Charter School Facilities Program (CSFP or the Program) Preliminary and Advance Apportionment, but not for purposes of a Final Apportionment. This determination of financial soundness is also contingent upon Green Dot's execution, on behalf of Animo Pat Brown, of an Implementation Agreement with CSFA, the State Controller's Office and CDE, at the appropriate time, whereby CSFA will intercept Animo Pat Brown's state-aid portion of its General Purpose Block Grant at regular intervals to satisfy the payment requirements of its CSFP obligations. This determination as it relates to a Preliminary and Advance Apportionment is in place for six months and assumes no financial, operational, or legal material findings within this time period. Staff recommends that the CSFA Board direct staff to notify the Office of Public School Construction and the State Allocation Board regarding this determination.