

## RESOLUTION NO. 15-36

### APPROVAL OF FINANCIAL SOUNDNESS DETERMINATIONS FOR THE CHARTER SCHOOL FACILITIES PROGRAM FOR PRELIMINARY / ADVANCE APPORTIONMENT FOR TRACY LEARNING CENTER, ON BEHALF OF MILLENNIUM CHARTER

December 4, 2015

**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 local match, 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**WHEREAS**, approximately \$90 million in rescinded Program funds became available in 2013, resulting in the Board opening a subsequent funding round (2014 Funding Round), an additional approximately \$30 million in rescinded Program funds becoming available in 2015; and Millennium Charter (Millennium) became eligible for funding from among the top-ranked eligible applications; and

**WHEREAS**, Tracy Unified School District has committed to make a lump-sum payment towards the local matching share of \$4,415,213 for Millennium's CSFP project through proceeds from the issuance of General Obligation Bonds; and

**WHEREAS**, through the methodology established pursuant to Education Code 17078.57, the Authority found Millennium Charter financially sound for Preliminary and Advance Apportionment in the amount of \$4,415,213 at its April 15, 2015 meeting; and.

**WHEREAS**, the Authority's determination of financial soundness expired on October 15, 2015, six months after the approval of the determination at its April 15, 2015 meeting; and

**WHEREAS**, Authority staff conducted a subsequent financial soundness review for Millennium to determine whether Millennium remained financially sound for Preliminary and Advance Apportionment since the determination on April 15, 2015; and

**WHEREAS**, the Authority's subsequent financial soundness review for Millennium supports a continued recommendation of financial soundness for Preliminary and Advance Apportionment, but not for purposes of Final Apportionment, in the amount of \$4,415,213, through the Program's 2014 Funding Round; and

**WHEREAS**, this determination of financial soundness is 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 for Millennium for the purposes of the Charter School Facilities Program Preliminary and Advance Apportionments, but not for purposes of Final Apportionment. This determination as it relates to the Preliminary and Advance Apportionments 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: December 4, 2015