

CALIFORNIA SCHOOL FINANCE AUTHORITY

Meeting of the Board

**Wednesday, March 9, 2016
11:00 a.m.**

**915 Capitol Mall, Room 587
Sacramento, California 95814**

State Treasurer John Chiang, serving as Chair, called the meeting to order.

Roll Call

Members Present: John Chiang, State Treasurer
Eraina Ortega, designee for Michael Cohen, Director of Finance

Members Absent: Tom Torlakson, Superintendent of Public Instruction

Staff Present: Katrina Johantgen, Executive Director
Ian Davis, Program Analyst
Kristen Schunk, Program Analyst
Jodie Jones, Program Analyst
Anne Osborne, Program Analyst
Nicolaus Seppi, Office Technician
Jaspreet Kang, Student Assistant

Treasurer Chiang declared a quorum present after rollcall, after which Katrina Johantgen welcomed those on the phone line to the Board meeting.

Approval of Minutes: The minutes from the February 10, 2016 Authority Board meeting were presented to the Board and approved unanimously by roll call.

Executive Director's Report

Charter School Facility Grant Program: Ms. Johantgen updated the Board on the current status of the SB740 program. She added that the Authority is developing an online application which is expected to be used for the 2016-17 funding round, which is will open in April.

Charter School Revolving Loan Fund Program: Ms. Johantgen told the Board that the 2015-16 funding round received 39 applications. After review, 27 are considered priority one schools, which means they are schools that not yet opened, with the balance, 12 applications, being for priority two schools.

Conduit Bond Program: Ms. Johantgen told the Board that \$666 million in bonds and notes has been issued since 2010. Ms. Johantgen also updated the Board on existing deals the Authority has previously approved and had priced and/or closed.

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Charter School Facilities Program: Ms. Johantgen told the Board that they will look at an approval for Aspire ERES funding and a refinement of the financial soundness certifications from six to twelve months.

State Charter School Facilities Incentive Grants Program: Ms. Johantgen told the Board that the Authority is anticipating the release of funding round 12 in the next few weeks after approval of the updated program regulations and application. Due to an internal audit conducted on the program, the Authority anticipates a higher amount of funding will be available for this round.

Charter School Facilities Credit Enhancement Grant Program: Ms. Johantgen told the Board that the Authority is monitoring compliance with the program, and looking for additional funding opportunities for a similar program to enhance the credit of charter school financings.

Administrative and Legislative Update: Ms. Johantgen told the Board that Authority members are attending the CCSA Conference next week, and are speaking on a panel regarding Qualified Public Education Facility Bonds, a public benefit for private developers to develop public schools.

Item 4: Consideration of Appeal on Behalf of New West Charter located in Los Angeles County Related to Ineligibility for the Charter School Facility Grant Program

Ms. Johantgen notified the Board that the attorney for the school has requested the appeal be held over, as they believe they will be getting additional compelling information from the Los Angeles Unified School District.

Item 5: Consideration of Appeal on Behalf of Valley Charter Elementary located in Los Angeles County Related to Ineligibility for the Charter School Facility Grant Program

Ms. Johantgen told the Board that the attorney for the appellant had requested the appeal be held over to a future meeting as they believe they will be getting additional compelling information from the Los Angeles Unified School District to assist in the appeal.

Item 6: Resolution No. 16-06 – Consideration of Policy for Twelve-Month Certification for Financial Soundness under the Charter School Facilities Program

Ms. Johantgen explained that given the number and frequency of abbreviated reviews being conducted by the Authority and submitted to the Board that have had little or no change, the Authority recommends extending the financial soundness certification period from six month to twelve months. Borrowers / schools in the Program still have an obligation to notify the Authority regarding any material changes, as outlined in Program regulations and agreements.

Ms. Ortega made a motion to approve and Treasurer Chiang seconded; after asking for and receiving no public comment, the resolution passed unanimously by rollcall.

Item 7: Resolution No. 16-07 – Approval of Financial Soundness Determination for Aspire ERES Academy located in Alameda County for an Advance/Final Apportionment through the Charter School Facilities Program

Ms. Johantgen highlighted the financial soundness analysis for Aspire Public Schools to the Board. Aspire ERES' financial soundness finding will be in place for twelve months, and will likely submit its application for a Final Apportionment to OPSC before the 12-month period ends.

Ms. Ortega made a motion to approve and Treasurer Chiang seconded; asking for and receiving no public comment, the resolution passed unanimously by rollcall.

There being no additional public comments or other business to conduct, the meeting was adjourned.

Respectfully submitted,

Katrina Johantgen