

Staff Summary Item No. 5

Date: August 17, 2018

To: Members of the California School Finance Authority

From: Katrina M. Johantgen, Executive Director

Subject: Resolution No. 18-16 Approving Final Awards and Authorizing the Disbursement of Funds under the Fourteenth Funding Round of the State Charter School Facilities Incentive Grants Program (CFDA #84.282D)

Resolution 18-16 grants approval of the final award of grant funds to the top ranking applications in line for a grant award; allowing the Executive Director the ability to take the steps necessary to execute the grant agreements and disburse the grant funds; and make awards to alternate applications as applicable, in the event program funds become available. The fourteenth funding round applicants, and potential awardees and alternates, are shown in Attachment B attached hereto.

Background: On behalf of the State of California, in 2004, the California School Finance Authority (Authority) received a five-year \$49.25 million grant from the U.S. Department of Education for a State Charter School Facilities Incentives Grant Program (Federal Program). In 2009, the Authority was awarded a second five-year grant in the amount of approximately \$48.5 million for the Federal Program. In 2014, the Authority applied for and was awarded a third five-year grant in the amount of \$50 million for the Federal Program. The Authority will award approximately \$10.5 million in funding in the fourteenth funding round.

The Federal Program is intended to provide financial assistance to California charter schools based on demonstrated need. The Authority uses a 150-point scale to award points based on the following: 1) Zero to 60 points based on the number of low-income students served by the school (as measured by the number of students eligible for free or reduced price meals); 2) Zero or 10 points based on the degree of overcrowding where the school is located within a specified number of miles (three miles for city schools or 10 miles for suburban schools or 15 miles for rural schools) of a traditional public school identified as overcrowded under the Overcrowding Relief Grant or the Critically Overcrowded School programs; 3) Zero or 20 points based on the non-profit status of the school or the entity operating the school; and 4) Zero to 20 points for student performance if a minimum of 60 percent of the charter school's students meet or exceed either English Language Arts/Literacy or Mathematics under the Smarter Balance Assessment system; 5) Zero to 20 points: 10 points if the charter school's English Language Arts/Literacy scores meet or exceed those of a traditional school within the driving distance utilized for overcrowding and 10 points if the charter school's Mathematics scores meet or exceed those of a traditional school within the driving distance utilized for overcrowding; and 6) Zero or 20 points for first time awardees based on whether the applicant charter school has received an award under any previous funding round.

Authority staff relied on the same data sources to assign points under this funding round as it has in previous rounds. The California Department of Education (CDE) provided low income information based on how many students served by the charter school are eligible for free or reduced price meals, and overcrowding information by identifying public schools meeting the criteria for funding under the Overcrowding Relief Grant or the Critically Overcrowded School programs. CDE's Smarter Balanced Assessment data was used for student performance and school choice. The website for the National Center for Education Statistics (NCES) was relied upon for determining the locale code of city/urban, suburban, or town/rural in which the charter schools applying for funding are located, and applicants were charged with providing staff with documentation demonstrating the charter school is a non-profit entity or operated by a non-profit entity.

The following steps were taken to process Federal Program applications:

1. Program Eligibility: Staff evaluated applications for Federal Program eligibility and completeness. If applicants were deemed ineligible for participation, letters were sent which explained our rationale. If information was missing from the application packet, applicants were given a deadline for submitting required information. Staff also verified that applicants were free of any conflicts of interest, as well as vetted applicants' legal status questionnaire responses.
2. Charter School Facility Grant Program Eligibility: Per requirements that federal funds supplement and not supplant State funds, staff evaluated if applicants were eligible for the State Program. If an applicant is eligible for both the federal and state program, applicants must be funded out of the State Program rather than the Federal Program.
3. Low-Income Preference Points: In order to assign low-income preference points, staff received from CDE free and reduced price meal data for each applicant. The data measured the number of students at the school in the 2017-18 school year that were eligible for free or reduced price meals, and calculated the percentage of the students attending the school who qualified for free/reduced meal programs. *The school does not necessarily need to have a lunch program in order to file this information with CDE, as this data also is used to measure the number of low-income students being served by the school.*
4. Overcrowding Preference Points: CDE identified public schools eligible for funding under the Overcrowding Relief Grant and the Critically Overcrowded School programs. Additionally, using Google maps as the resource, staff searched for overcrowded public schools located within a specified number of miles (three miles for city/urban schools or 10 miles for suburban school or 15 miles for town/rural schools) of the applicant charter schools to identify whether the applicant charter schools were eligible for 10 overcrowded points.
5. Non-Profit Points: Applicant charter schools that demonstrated they, or their operator, are organized and operated as a 501(c)(3) or as a nonprofit California public benefit corporation, were awarded 20 preference points in this category. Documentation from the U.S. Treasury Department or the California Secretary of State is required to receive points in this category. The name of the organization on the non-profit documentation must match the name of the applicant charter school or governing organization.

6. Student Performance Points: If a minimum of 60 percent of the charter school's students meet or exceed either English Language Arts/Literacy or Mathematics under the Smarter Balance Assessment system 20 preference points were assigned.
7. School Choice: If the charter school's English Language Arts/Literacy scores met or exceeded those of a traditional school within the driving distance utilized for overcrowding 10 preference points were awarded. If the charter school's Mathematics scores meet or exceed those of a traditional school within the driving distance utilized for overcrowding 10 preference points were awarded for a maximum of 20 preference points for this category.
8. First-Time Award Competitive Priority: If an applicant charter school has not received an award previously, the applicant was awarded an additional 20 points. Staff reviewed the list of all prior Federal Program awardees to assign preference points in this category.
9. Compliance With Charter Terms and Good Standing with Authorizer: To ensure that applicants were in compliance with the terms of their charters, and in good standing with their chartering entities at the time of application submission, as required in the Federal Program regulations, Authority staff sent out letters to chartering entities requesting verification of charter compliance and good standing.
10. Notification of Preliminary Point Assignment: Notification has been provided to applicants regarding their eligibility as well as their preliminary preference point assignments.

2018 Funding Round: Applications for this funding round of the Federal Program were due to the Authority no later than April 21, 2018, and the Authority received 131 applications, with funding requests totaling over \$110 million. A data analysis of applicants can be found in Attachment C. Below we have highlighted information regarding eligibility and the award process under this funding round:

1. The Authority received 5 more applications over last year's funding round, from 126 in 2017 to 131 applications in 2018.
2. Public outreach efforts were continued from previous rounds to ensure schools applied to the correct program – state versus federal. Education outreach efforts included hosting a detailed webinar prior to the application deadline, in which Authority staff discussed program eligibility, preference point award process, eligible costs, and the interplay between the federal and state programs.
3. The application deadlines for the state and federal programs were scheduled relatively close to one another in order to allow staff adequate time to analyze from which program schools should receive facility funding.
4. As 2017-18 Average Daily Attendance (ADA) and Enrollment data from California Department of Education (CDE) was available, staff calculated awards for schools under both programs using the most current data.
5. Staff reviewed executed 2018-19 lease agreements (when available).
6. Each eligibility and preference point determination was peer reviewed.
7. Preference Point Letters were sent to all eligible schools, including potential alternates.

Members, California School Finance Authority
Fourteenth Funding Round and Resolution 18-16
August 17, 2018

Recommendation: Staff recommends members of the California School Finance Authority Board adopt Resolution 18-16 approving staff's funding recommendations contained in Attachment B of Resolution 18-16. Approval of Resolution 18-16 also authorizes the Executive Director to execute the grant agreements and disburse the funds on behalf of the Authority, as well as make awards to eligible alternates.

ATTACHMENT B
State Charter School Facilities Incentive Grants Program (CFDA 84.282D)

#	Name of Charter School	CDS Code	Purpose of Funds
1	ACE Esperanza Middle	43-69450-0129247	New Construction
2	Alpha: Jose Hernandez	43-10439-0129213	Prop 39/District
3	American Indian Public Charter	01-61259-6113807	Mortgage/Debt Service
4	American Indian Public Charter II	01-61259-0114363	Mortgage/Debt Service
5	American Indian Public High	01-61259-0111856	Prop 39/District
6	Animo Florence-Firestone Charter Middle	19-64733-0134023	Prop 39/District
7	Animo Jackie Robinson High	19-64733-0111583	Prop 39/District
8	Animo Watts College Preparatory Academy	19-64733-0111625	Base Rent/Lease
9	APEX Academy	19-64733-0117077	Prop 39/District
10	ASCEND	01-61259-6118608	Prop 39/District
11	Aspire Langston Hughes Academy	39-68676-0118497	New Construction
12	Aspire Lionel Wilson College Preparatory Academy	01-61259-0130666	New Construction
13	Aspire Richmond Technology Academy	07-61796-0132118	New Construction
14	Aspire Rosa Parks Academy	39-68676-0108647	New Construction
15	Aspire Summit Charter Academy	50-71043-0112292	New Construction
16	Aveson School of Leaders	19-64881-0113472	Prop 39/District
17	Ballington Academy for the Arts and Sciences	13-63123-0118455	Base Rent/Lease
18	Ballington Academy for the Arts and Sciences - San Bernardino	36-67876-0133892	Base Rent/Lease
19	California Collegiate Charter	19-64733-0133884	Prop 39/District
20	CATCH Prep Charter High, Inc.	19-64733-0101659	Prop 39/District
21	Chrysalis Charter	45-10454-0111674	Base Rent/Lease
22	Citizens of the World Charter School Hollywood	19-64733-0122556	Prop 39/District
23	Citizens of the World Charter School Mar Vista	19-64733-0126193	Prop 39/District
24	Citizens of the World Charter School Silver Lake	19-64733-0126177	Prop 39/District
25	City Arts and Tech High	38-68478-0107300	Prop 39/District
26	Coastal Grove Charter	12-62679-6120562	Prop 39/District
27	Collegiate Charter High of Los Angeles	19-64733-0131821	Prop 39/District
28	Community Outreach Academy	34-76505-0101766	Prop 39/District
29	Community Roots Academy	30-66464-0123729	Prop 39/District
30	Community School for Creative Education	01-10017-0123968	Prop 39/District
31	Credo High	49-73882-0123786	Mortgage/Debt Service
32	Crown Preparatory Academy	19-64733-0121848	Prop 39/District
33	Denair Elementary Charter Academy	50-71068-0132662	Purchase/Acquisition
34	Discovery Charter	43-10439-0111880	Prop 39/District
35	Discovery Charter II	43-10439-0127969	Prop 39/District
36	Downtown Charter Academy	01-61259-0129635	Base Rent/Lease
37	Elevate Elementary	37-68338-0129395	Base Rent/Lease
38	Environmental Charter High	19-64691-1996438	Prop 39/District
39	EPIC de Cesar Chavez	29-10298-0130823	Purchase/Acquisition
40	Epiphany Prep Charter	37-68098-0133991	Renovation
41	Everest Public High	41-69062-0119503	Prop 39/District

42	Feaster (Mae L.) Charter	37-68023-6037956	Mortgage/Debt Service
43	Gateway International	34-67447-0128124	Prop 39/District
44	Girls Athletic Leadership School Los Angeles	19-64733-0133710	Prop 39/District
45	Golden Oak Montessori of Hayward	01-61192-0119248	Renovation
46	Granada Hills Charter High	19-64733-1933746	Renovation
47	High Tech Elementary	37-68338-0131565	Base Rent/Lease
48	High Tech Elementary Chula Vista	37-76471-0123059	Mortgage/Debt Service
49	High Tech Elementary Explorer	37-68338-6117683	Base Rent/Lease
50	High Tech Elementary North County	37-76471-0127605	Mortgage/Debt Service
51	High Tech High Chula Vista	37-76471-0114678	Base Rent/Lease
52	High Tech Middle	37-68338-0101204	Base Rent/Lease
53	High Tech Middle Chula Vista	37-76471-0123042	Mortgage/Debt Service
54	ICEF Vista Elementary Academy	19-64733-0117937	Prop 39/District
55	Ingenium Charter	19-64733-0121137	Prop 39/District
56	Ingenium Charter Middle	19-64733-0127985	Prop 39/District
57	Inspire School of Arts and Sciences	04-61424-0120394	New Construction
58	Intellectual Virtues Academy	19-10199-0134346	Base Rent/Lease
59	International School of Monterey	27-66092-6118962	Prop 39/District
60	Journey	30-66464-6117758	Prop 39/District
61	KIPP Academy of Innovation	19-64733-0128512	Prop 39/District
62	KIPP Academy of Opportunity	19-64733-0101444	Base Rent/Lease
63	KIPP Empower Academy	19-64733-0121699	Base Rent/Lease
64	KIPP Ignite Academy	19-64733-0131771	Prop 39/District
65	KIPP San Francisco Bay Academy	38-68478-0101352	Prop 39/District
66	KIPP San Jose Collegiate	43-69427-0116889	Prop 39/District
67	KIPP Summit Academy	01-61309-0101212	Prop 39/District
68	Lake County International Charter	17-64055-0108340	Mortgage/Debt Service
69	Larchmont Charter	19-64733-0108928	Prop 39/District
70	LaVerne Elementary Preparatory Academy	36-75044-0118059	Prop 39/District
71	Learning Without Limits	01-61259-0115592	Prop 39/District
72	Lemoore Middle College High	16-63982-0110205	Base Rent/Lease
73	Leonardo da Vinci Health Sciences Charter	37-68023-0119594	Prop 39/District
74	Life Learning Academy Charter	38-68478-3830429	New Construction
75	Lifeline Education Charter	19-73437-0115725	Renovation
76	Magnolia Science Academy 3	19-10199-0115030	Prop 39/District
77	Magnolia Science Academy 4	19-64733-0117622	Prop 39/District
78	Magnolia Science Academy 5	19-64733-0117630	Prop 39/District
79	Millennium Charter High	27-10272-0125765	Base Rent/Lease
80	Multicultural Learning Center	19-64733-6119044	Base Rent/Lease
81	Nevada City School of the Arts	29-10298-0114330	Renovation
82	New Heights Charter	19-64733-0111211	Prop 39/District
83	North Valley Military Institute College	19-64733-0100776	Prop 39/District
84	Oak Park Preparatory Academy	34-67439-0125591	Prop 39/District
85	Oakland Charter Academy	01-61259-6111660	Base Rent/Lease
86	Oakland Charter High	01-61259-0114868	Base Rent/Lease
87	Para Los Niños Middle	19-64733-0117846	Mortgage/Debt Service
88	Pasadena Rosebud Academy	19-64881-0113894	Prop 39/District

89	Pathways to College	36-75044-0112441	Prop 39/District
90	PREPA TEC - Los Angeles	19-64733-0127936	New Construction
91	Renaissance Arts Academy	19-64733-0101683	Base Rent/Lease
92	Resolute Academy Charter	19-64733-0131870	Prop 39/District
93	Richmond Charter Academy	07-61796-0126805	Base Rent/Lease
94	Sacramento Charter High	34-67439-0102038	Prop 39/District
95	Sacramento Valley Charter	57-72694-0124875	Base Rent/Lease
96	School for Entrepreneurship and Technology	37-68338-0122788	Base Rent/Lease
97	Sierra Academy of Expeditionary Learning	29-66357-0124834	Prop 39/District
98	Sierra Foothill Charter	22-65532-0125823	Prop 39/District
99	Silver Oak High Public Montessori Charter	01-61192-0127944	Base Rent/Lease
100	St. HOPE Public School 7	34-67439-0101048	Prop 39/District
101	Summit Preparatory Charter	19-64733-0131839	Prop 39/District
102	Summit Preparatory Charter High	41-69062-0112722	Prop 39/District
103	Summit Public School: Denali	43-10439-0128090	Base Rent/Lease
104	Summit Public School: Rainier	43-69427-0123745	Prop 39/District
105	Summit Public School: Shasta	41-68924-0127548	Prop 39/District
106	Summit Public School: Tahoma	43-10439-0123794	Prop 39/District
107	Summit Public School: Tamalpais	07-61796-0133637	Base Rent/Lease
108	Urban Discovery Academy Charter	37-68338-0135913	Base Rent/Lease
109	Vaughn Next Century Learning Center	19-64733-6019715	Mortgage/Debt Service
110	Woodward Leadership Academy	36-67876-0126714	Base Rent/Lease
111	Yuba River Charter	29-10298-0114322	New Construction

ATTACHMENT C

State Charter School Facilities Incentive Grants Program (CFDA#84.282D) Round 14 Data Analysis

- Total – 131 Applications Received
 - 20 Applications Ineligible
 - 2 – Withdrew
 - 4 – Less Than One Year of Operations
 - 13 – SB740 Recipient
 - 1 – LSQ Issues
 - 20 Awardees; 1 Partial Awardee
 - 2017-18 enrollment is 11,908 students
 - Use of Funds Breakdown
 - 1 – Lease Costs
 - 1 – Mortgage/Debt Service
 - 14 – Prop 39 Facilities (1 = partial award)
 - 1 – Renovation
 - 3 - Construction
 - Low Income Range = 48.73% - 98.25% (22 - 59 points)
 - 19 Schools received points for Overcrowding School Site
 - 8 Schools- Student Performance points for 60% of the charter school's students meet or exceed either the Smarter Balanced Assessment - English Language Arts/Literacy standard or the Smarter Balanced Assessment - Mathematics
 - 20 schools received points for Non-Profit Status
 - 8 schools have previously received grant awards under this program
 - Smarter Balanced Assessment - English Language Arts = 19 Schools
 - Smarter Balanced Assessment - Mathematics = 19 Schools
 - 8 Chartering Authorities Represented
- Locale Code Analysis
 - State Charter School Numbers (1,250 Schools)
 - Urban – 639 schools (51%)
 - Suburban - 341 schools (27%)
 - Rural - 206 schools (16%)
 - No Data – 64 schools (5%)
 - Round 14 (111 Eligible Schools)
 - Urban - 63 schools (57%)
 - Suburban - 30 schools (27%)
 - Rural - 9 schools (8%)
 - Data Unavailable – 9 schools (8%)