

RESOLUTION NO. 20-46

APPROVAL OF FINANCIAL SOUNDNESS DETERMINATION FOR INSPIRE SCHOOL OF ARTS AND SCIENCES, LOCATED IN BUTTE COUNTY FOR ADVANCE APPORTIONMENT THROUGH THE CHARTER SCHOOL FACILITIES PROGRAM

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, Proposition 51, passed by California voters in November 2016, established an additional \$500 million for apportionments under the Program; and

WHEREAS, the Authority is required by section 10154 of Program regulations to conduct a review of Inspire School of Arts and Sciences' financial soundness at the time of its Advance Apportionment request, and determine whether it has maintained a financially sound status; and

WHEREAS, the State Allocation Board (Board), through the funding methodology established pursuant to Education Code section 17078.56, awarded Inspire School of Arts and Sciences (Inspire) an Advance Apportionment of \$7,055,732 for its New Construction project and \$10,187,544 for its Rehabilitation project; and

WHEREAS, Inspire plans to contribute the following funds to provide a lump sum contribution toward the project costs: \$1,000,000 from the Chico Unified School District, which was approved at the District's March 11, 2020 board meeting; a lump sum contribution from Measure K fund totaling \$2,678,484; and a lump sum contribution from the School Foundation totaling \$1,000,000;

WHEREAS, Inspire will fulfill the project's local matching share obligation through a 30-year loan and through the lump sum contributions noted above; and

WHEREAS, this determination of financial soundness will be provided to the Office of Public School Construction; and

WHEREAS, this determination of financial soundness is contingent upon Inspire's contributions (noted above) and there being no material legal, financial, or operational changes between the date of this resolution and Inspire's receipt of apportionment.

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

Section 1. That Inspire School of Arts and Sciences has demonstrated its financial soundness for purposes of an Advance Apportionment for its new construction and rehabilitation project.

Section 2. This determination as it relates to an Advance Apportionment is in place for twelve months and assumes no financial, operational, or legal material findings within this time period.

Section 3. The Executive Director of the Authority, and the Chair or their designee is hereby authorized, for and on behalf of the Authority, to notify the Board and provide supporting documentation, that Inspire School of Arts and Sciences has maintained its financial soundness for purposes of the Program and for its request for advance release of design funds.

Section 4. The Executive Director of the Authority, and the Chair or their designee is hereby authorized, for and on behalf of the Authority, to execute the Program agreements between the State and Inspire School of Arts and Sciences prior to any release of funds.

Section 5. This resolution shall take effect immediately upon its approval, and be in effect for twelve months from the date of adoption.

PASSED AND ADOPTED by the California School Finance Authority.

Date of Adoption: December 3, 2020

California School Finance Authority
Resolution No. 20-46
December 3, 2020

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. 20-46 of the California School Finance Authority Approving the Financial Soundness Determination for an Advance Apportionment under the Charter School Facilities Program for Inspire School of Arts and Sciences, located in Butte County adopted at a meeting of the California School Finance Authority held at 915 Capitol Mall, Conference Room 110 (Large), Sacramento, California 95814, on December 3, 2020, 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:

NOES:

ABSTAINS:

ABSENT:

This resolution of intent expires one year after the adoption date. Extensions must be approved by the Authority in a public meeting.

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)

By: _____
Katrina Johantgen, Executive Director

December 3, 2020