

## MINUTES

**CALIFORNIA SCHOOL FINANCE AUTHORITY**  
**915 Capitol Mall, Conference Room 110**  
**Sacramento, California 95814**

**300 S. Spring St, Suite 8500**  
**(Large Conference Room)**  
**Los Angeles, CA 90013**

**April 29, 2021 - 10:30 a.m.**

Public Participation

Call-In Number: (877) 810-9415 – Participant Code: 6535126

*In March 2020, the Governor declared a State of Emergency and enacted Executive Order N-29-20. In an effort to slow the rate at which COVID-19 is spreading, the Executive Order waived certain provisions of the Bagley-Keene Act and Brown Act, which required the physical presence of members, personnel of the board, or the public at meetings of state and local bodies. Pursuant to the order, the meeting of the California School Finance Authority (CSFA or Authority) Board Meeting was held telephonically, and the meeting was noticed accordingly.*

### **OPEN SESSION**

Treasurer Fiona Ma, called the meeting to order at 10:34 a.m.

#### ***Item #1: Roll Call***

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Members Present: Fiona Ma, CPA, Treasurer (Sacramento Office)  
Juan Mireles, designee for Tony Thurmond, Superintendent of Public Instruction (Via Microsoft Teams)  
Chris Ferguson, designee for Keely Martin Bosler, Director of Finance (Via Microsoft Teams)

Staff Present: Audrey Noda, Deputy Treasurer (LA Office)  
Katrina Johantgen, Executive Director (LA Office)  
Ravinder Kapoor, Legal Counsel (Via Microsoft Teams)  
Thomas Dear, Staff Service Manager II (Sacramento Office)  
Shannon McEuen, Staff Service Manager I (Sacramento Office)  
Michael Pack, Program Lead (Via Microsoft Teams)  
Robert Rodriguez, Office Technician (Sacramento Office)

Attendees Via Microsoft Teams:

Owen Alvarez, Vice President, State Building Programs, SchoolWorks, Inc.  
Aaron Thornsberry, Chief Business Official, Gateway Community Charters  
Jessica Love, School Facilities Consultant, Hancock Park & DeLong, Inc.

Treasurer Ma welcomed those on the phone line to the California School Finance Authority (CSFA) Board (Board) meeting. Executive Director Katrina Johantgen read the prompt regarding the teleconference line and public participation.

**Item #2: Approval of the March 25, 2020 Board Minutes (Action Item)**

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Treasurer Ma introduced Item #2: Approval of the March 25, 2021 Board Minutes. Treasurer Ma asked if there were any public comments and there were none.

**Authority Action**

Motion to approve the minutes from the March 25, 2021 meeting. Robert Rodriguez called the roll.

MOTION: Mireles SECOND: Ferguson  
AYES: Mireles, Ferguson, Ma  
NOES: NONE  
ABSTAIN: NONE  
RECUSE: NONE

MOTION APPROVED.

**Item #3: Executive Director's Report**

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K-14 SAIN and Charter ASAP Program: The Authority completed two cash flow issuances in March and April for the K-14 program as well as the Advances on State Aid Payments (ASAP) notes for charter schools. The Authority is working to leverage our work on these note programs with traditional school districts and community college districts. The Authority also is planning educational webinars to school and community college districts.

Charter School Facility Grant Program: The Authority is looking ahead to the 2021-22 funding round and working with the Department of Finance on projections for the program. The Authority is focused on completing the 19-20 and 20-21 funding rounds for the Charter School Facility Grant Program (SB740).

Conduit Financing Program: The recent iLead (international, Leadership, Entrepreneurial Development, Arts, and Design Thinking) Lancaster financing priced and closed April 29, 2021, as did the Classical Academies financing, which received a rating upgrade from a double B-plus, to a triple B-minus. The Authority did have a new financing application that staff will bring to the board in May for KIPP SoCal for \$12,000,000, which is an Equitable Facilities Fund loan.

Credit Enhancement Program: The Authority was able to move a \$10,000,000 credit enhancement grant from a permitted investment vehicle within a trustee bank into Surplus Money Investment Fund (SMIF), which will earn interest at a higher rate than with the trustee investment vehicles. These additional basis points on the \$10,000,000 reserve fund is a meaningful increase and these funds can be rolled back into the credit enhancement program to be deployed to more financings.

Charter School Facilities Program: The Authority is looking at two reviews today, with staff member Michael Pack presenting.

Revolving Loan Fund: The Authority received 12 applications so far for the 20-21 funding round B. The Authority is working to try to expand the accessibility of this program to more mature charters and potentially increasing the loan amount.

Incentives Grant Program: The Authority is in the third month of funding the round 15 alternates, these were identified at a board meeting a few months ago. The Authority's goal is to distribute all of the funds by August 30, 2022.

Executive Director Johantgen introduced Elizabeth Mendez, who has joined the Authority and will be in the Los Angeles office as an Associate Governmental Program Analyst.

Treasurer Ma asked if there were any public comments, and there were none.

***Item #4 – Presentation of the California School Finance Authority Fund Financial Statements with Independent Auditor's Report Year Ended June 30, 2020 (Information Item)***

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Executive Director Johantgen presented, confirming the Authority received a clean audit with no findings and were identified as a low-risk auditee. The audit was submitted and is available on the authority web page as well as all of the Authority's annual reporting requirements.

Board Member Juan Mireles congratulated the Authority on having no findings and being identified as a low-risk auditee.

***Item #5 - Resolution No. 21 – 09 – Approval of Financial Soundness Determination for Rise Kohyang High Middle School located in Los Angeles County for Final Apportionment through the Charter School Facilities Program (Action Item)***

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Treasurer Ma confirmed that Item #5 was removed from the board meeting agenda.

***Item #6 – Resolution No. 21 –10 – Approval of Financial Soundness Determination for Sycamore Valley Academy located in Tulare County for Final Apportionment through the Charter School Facilities Program (Action Item)***

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Michael Pack presented the item and introduced Owen Alvarez, Vice President of State Building Programs with SchoolWorks, Inc. Mr. Pack provided an overview of the rehabilitation project, providing project details related to the site location and the scope of the additional construction. Mr. Pack noted that the project had already been completed by the district, confirming the building has been occupied since August 2020; the school is seeking final apportionment so that the district can get reimbursed for funds expended. Mr. Pack recommended that the board find Sycamore Valley Academy financially sound for purposes of a final apportionment.

There were no questions from board members, or the public.

**Authority Action**

Motion to approve the Financial Soundness Determination for Sycamore Valley Academy located in Tulare County for Final Apportionment through the Charter School Facilities Program.

MOTION: Mireles SECOND: Ferguson

AYES: Mireles, Ferguson, Ma

NOES: NONE

ABSTAIN: NONE

MOTION APPROVED.

***Item #7 – Resolution No. 21 – 11 – Approval of Financial Soundness Determination for Gateway International School located in Sacramento County for Final Apportionment through the Charter School Facilities Program (Action Item)***

Michael Pack presented and introduced Aaron Thornsberry, the Chief Business Official for Gateway Community Charters, as well as Jessica Love, a principal advisor and the school’s facilities consultant with Hancock Park & DeLong, Inc. Mr. Thornsberry presented some general remarks to the board, speaking to the school’s transformation and how it impacted both the students and the surrounding community.

Mr. Pack provided details regarding the facility upgrades, project costs, and noted the anticipated completion date of the project as the fall of 2021. Mr. Pack added that the school is in compliance with their charter and currently in good standing. Mr. Pack outlined details regarding the school’s academic performance and the project’s financial analysis. Mr. Pack recommended that the board find Gateway International School financial sound for a Final Apportionment.

There were no questions from board members, or the public.

**Authority Action**

Motion to approve the Financial Soundness Determination for Gateway International School located in Sacramento County for Final Apportionment through the Charter School Facilities Program.

MOTION: Mireles SECOND: Ferguson

AYES: Mireles, Ferguson, Ma

NOES: NONE

ABSTAIN: NONE

MOTION APPROVED.

***Item #8: Public Comments***

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No public comments.

***Item #9: Adjournment***

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There being no public comments, the Board adjourned the meeting at 11:04am.

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