Charter School Revolving Loan Fund
Fiscal Year 2026-27 Funding Round
September 24, 2026
Item No. 11.1 – Resolution 26-29

Executive Summary

Applicant:	Aveson Schools
School:	Aveson School of Leaders
CDS (County – District – School) Code:	19-64881-0113472
School Address:	524 Palisade Street, Pasadena, CA 91103
County:	Los Angeles
District in which School is Located:	Pasadena Unified School District
Charter Authorizer:	Pasadena Unified School District
Affiliated Organization Description:	*Aveson, Inc.*, a California nonprofit public benefit corporation described under section 501(c)(3) of the Internal Revenue Code.
Applicant Category:	Disaster-Impacted
Loan Term (Up to 8 years):	Seven Years
Projected Interest Rate:	3.00%
Estimated Annual CSRLF Payment:	$80,253

Staff recommends that the California School Finance Authority (Authority or CSFA) Board determine that Aveson School of Leaders is approved for a loan of $500,000 from the Charter School Revolving Loan Fund (Program or CSRLF). This determination, as it relates to Aveson School of Leaders, shall remain in effect for Fiscal Year 2026-27 and assumes no financial, operational, or legal material findings within this period. This recommendation is contingent upon Aveson School of Leaders electing to have its CSRLF payments intercepted at the state level, pursuant to Education Code section 41365(f). Staff recommends that the CSFA Board direct staff to notify Aveson Schools of the conditional loan approval, confirm the school meets all funding criteria and Program requirements before executing the loan agreement, and carry out all other necessary steps to disburse funds.

Eligibility and Financial Analysis: Below, staff highlights key criteria evaluated when conducting the financial soundness review for Aveson School of Leaders. Detailed information is contained in the body of the report:

Criteria	Comments
Eligibility Criteria	Aveson School of Leaders has met all Program eligibility criteria: (1) the school has operated continuously since 2007; (2) an active charter is in place through June 2029; and (3) the school deemed compliant with all terms of the charter agreement, with no pending or outstanding Notices of Violation or Intent to Revoke. Good standing is confirmed by Program regulations governing non-responsive authorizers, as the Pasadena Unified School District did not respond to a June 9, 2026, request to confirm the school's standing.
Demographic Information	In FY 2025-26, Aveson School of Leaders had a total enrollment of 158 students in grades TK through 6; the Average Daily Attendance (ADA) rate was 94.39%, and the Unduplicated Pupil Percentage (UPP) was 69.36%.
Debt Service Coverage	Aveson School of Leader's debt service coverage from adjusted net income on the proposed CSRLF loan is projected to average 90% over the seven years that payments are intercepted.
Risk Profile	• For this fiscal year the Aveson Schools board hired the organization's founder and former CEO, who possesses 16 years' experience in directing the operation. • According to the applicant, the director will be working to reverse the recent trend of operating deficits and declining ADA. • The director will guide the school through its recovery from the campus destruction and organizational disruption caused by the January 2025 Eaton Fire. • Loan disbursements will be contingent upon the verification of actual student enrollment, ADA, and interim financial statements. • Consideration of these metrics will serve as an indicator of fiscal and operational capacity of the school to meet its CSRLF debt service obligations.

Legal Status Questionnaire: Aveson School of Leaders' response to the Authority's Legal Status Questionnaire stated the borrower, charter school management organization, and all related parties have no knowledge of any civil, criminal, or regulatory proceedings, investigations, or actions as described in the Legal Status Questionnaire that would require disclosure.

School Organizational Information: Aveson Schools was established in 2007 and operates two in-person charter school campuses: a combined elementary and middle school and a high school. Both schools offer hybrid independent study programs for elementary, middle and high school students. As director of the charter management organization (CMO) for 16 years, the founder, Kate Bean, managed the ongoing operation of these schools until her retirement in FY 2021-22. Ms. Bean returned at the request of the school's board in fall 2025 to support operations and was named chief business officer in June 2026.

Enrollment Trends and Projections: The table below presents enrollment and ADA for Aveson School of Leaders. Historical FY 2023-24 through FY 2025-26 information is drawn from the California Department of Education (CDE) and Aveson School of Leaders provided projections for fiscal years 2026-27 through 2034-35.

The school's enrollment projections were found to be reasonable based on historical management and recovery from January 2025's Eaton Fire. In the FY 2022-23, the founder now retired, marked a period of leadership and operational change. The school encountered operational difficulties which persisted through FY 2025-26. The board reached a consensus to reorganize Aveson Schools leadership prior to the start of the FY 2026-27 school year. This decision was driven by persistent declines in enrollment, ADA, and fiscal conditions.

The projected enrollment increases shown below are supported by the school's relocation to a larger facility where enrollment to capacity is expected to be realized in FY 2030-31. The school's projected ADA of 94%, rising to approximately 95%, is considered reasonable because similar ADA levels were regularly achieved by the school prior to FY 2023-24, excluding 2020

Enrollment Summary

Year	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Enrollment	347	334	279	158	160	171
ADA%	90.81%	86.96%	82.71%	94.39%	94.00%	95.00%
Year	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
Enrollment	200	211	211	211	211	211
ADA%	95.49%	95.49%	95.49%	95.49%	95.49%	95.49%

Financial Analysis

Debt Repayment Analysis Table

OPERATIONAL, FINANCIAL & STUDENT PERFORMANCE METRICS	*Actual* FY 2023	*Actual* FY 2024	*Actual* FY 2025	*Actual* FY 2026	*Projected* FY 2027	*Projected* FY 2028	*Projected* FY 2029	*Projected* FY 2030	*Projected* FY 2031	*Projected* FY 2032	*Projected* FY 2033	*Projected* FY 2034	*Projected* FY 2035
Enrollment	347	334	279	160	160	171	183	200	211	211	211	211	211
Average Daily Attendance (ADA)	315	290	231	149	149	161	174	192	203	203	203	203	203
ADA Rate (%)	90.8%	87.0%	82.7%	93.2%	93.0%	94.0%	95.0%	96.0%	96.0%	96.0%	96.0%	96.0%	96.0%
FTE Teacher Headcount	16	18	0	0	0	0	0	0	0	0	0	0	0
Student/Teacher Ratio	21.7	18.6											
TOTAL OPERATING REVENUES	**$ 6,331,738**	**$ 5,637,217**	**$ 5,341,832**	**$ 4,417,691**	**$ 6,255,412**	**$ 5,601,235**	**$ 5,528,694**	**$ 5,772,586**	**$ 6,059,361**	**$ 6,220,795**	**$ 6,386,976**	**$ 6,558,011**	**$ 6,734,348**
TOTAL OPERATING EXPENDITURES	**$ 5,829,615**	**$ 6,206,289**	**$ 6,332,402**	**$ 5,029,119**	**$ 5,641,950**	**$ 5,528,297**	**$ 5,462,680**	**$ 5,782,592**	**$ 6,034,894**	**$ 6,201,080**	**$ 6,349,570**	**$ 6,501,776**	**$ 6,667,795**
Adjusted Net Income	**$ 518,040**	**$ (524,401)**	**$ (462,958)**	**$ (589,489)**	**$ 635,401**	**$ 94,877**	**$ 87,953**	**$ 11,932**	**$ 46,406**	**$ 41,654**	**$ 59,345**	**$ 78,174**	**$ 88,492**
Less RLF Loan Payments	-	-	-	-	-	71,228	71,228	71,228	71,228	71,228	71,228	71,228	71,228
Free Cash Flow	**$ 518,040**	**$ (524,401)**	**$ (462,958)**	**$ (589,489)**	**$ 635,401**	**$ 23,649**	**$ 16,725**	**$ (59,296)**	**$ (24,822)**	**$ (29,574)**	**$ (11,883)**	**$ 6,945**	**$ 17,264**
LCFF STATE AID SUBJECT TO INTERCEPT													
August through January	$ -	$ -	$ -	$ -	$ -	$ 383,304	$ 433,372	$ 494,390	$ 533,105	$ 549,066	$ 565,536	$ 582,486	$ 599,982
In Fiscal Year	$ -	$ -	$ -	$ -	$ -	$ 766,609	$ 866,743	$ 988,779	$ 1,066,209	$ 1,098,131	$ 1,131,072	$ 1,164,971	$ 1,199,964
DEBT SERVICE COVERAGE													
DSC from Adjusted Net Income						1.3	1.2	0.2	0.7	0.6	0.83	1.10	1.24
DSC from LCFF State Aid Subject to Intercept August through January						5.4	6.1	6.9	7.5	7.7	7.94	8.18	8.42
DSC from LCFF State Aid Subject to Intercept in Fiscal Year						10.8	12.2	13.9	15.0	15.4	15.88	16.36	16.85

Financial Summary:

- Free Cash Flow and/or per ADA – Aveson School of Leaders operates with positive cash flow; staff finds projections reasonable and within tolerance given the length of the period examined.
- Debt Service Coverage from Intercept – Estimated average projected debt service coverage is 730%.
- Debt Service Coverage from Adj. Net Income – Estimated average debt service coverage is 90%.
- Enrollment – Average ADA is reasonable based on historic and projected values.

Staff Recommendation: Staff recommends that the California School Finance Authority (CSFA) Board approve Aveson School of Leaders' request for a loan in the amount of $500,000 from the CSRLF. Aveson School of Leaders will repay the CSRLF loan no later than June 30[t], 2035. This determination, as it relates to Aveson School of Leaders, shall remain in effect for Fiscal Year 2026-27 and assumes no financial, operational, or legal material findings within this period. This recommendation is contingent upon Aveson School of Leaders electing to have its CSRLF payments intercepted at the state-level, pursuant to EDC § 41365 (f)(1).

Staff's recommendation is based on the methodology outlined in the Item 11 Methodology Report. Once approved, staff will notify the Applicant of the conditional loan approval. Staff will confirm all funding criteria and Program requirements are met before executing a loan agreement and disbursing loan proceeds. Staff will carry out all other necessary steps to disburse funds.

Charter School Revolving Loan Fund
Fiscal Year 2026-27 Funding Round
Staff Summary Report – September 24, 2026
Item No. 11.2 – Resolution 26-29

Executive Summary

Applicant:	Bay Area Technology School
School:	Bay Area Technology School
CDS (County – District – School) Code:	01-61259-0106906
School Address:	1445 23rd Ave., Oakland, CA 94606
County:	Alameda
District in which School is Located:	Oakland Unified School District
Charter Authorizer:	Oakland Unified School District
Affiliated Organization Description:	Bay Area Technology, a California nonprofit public benefit corporation described under section 501(c)(3) of the Internal Revenue Code.
Par Amount Requested:	Not-to-Exceed $500,000
Application Category:	Existing School
Loan Term:	4 Years
Projected Interest Rate:	3.00%
Estimated Annual CSRLF Payment:	**$134,514**

Staff recommends that the California School Finance Authority (Authority or CSFA) Board determine that Bay Area Technology School (School or BayTech) is approved for a loan of $500,000 from the Charter School Revolving Loan Fund (Program or CSRLF). This determination, as it relates to BayTech, shall remain in effect for Fiscal Year 2026-27 and assumes no financial, operational, or legal material findings within this period. This recommendation is contingent upon BayTech electing to have its CSRLF payments intercepted at the state level, under Section 41365(f) of the Education Code. Staff recommends that the CSFA Board direct staff to notify the applicant of the conditional loan approval, confirm the school meets all funding criteria and Program requirements before executing the loan agreement, and carry out all other necessary steps to disburse funds.

Eligibility and Financial Analysis: Below, staff highlights key criteria evaluated when conducting the financial soundness review for BayTech. Detailed information is contained in the body of the report:

Criteria	Comments
Eligibility Criteria	BayTech has met all eligibility criteria: (1) BayTech commenced operations on August 30, 2004; (2) BayTech's charter is in place through June 2027; (3) Oakland USD has confirmed that as of August 4, 2026, BayTech is compliant with the terms of its Charter Agreement and has no pending or outstanding Notices of Violation or Intent to Revoke.
Demographic Information	In FY 2026, BayTech had a total enrollment of 199 students in grades 6 through 12; the average daily attendance (ADA) rate was 91.28%, and the Unduplicated Pupil Percentage (UPP) was 49.21%.
Debt Service Coverage	BayTech's debt service coverage from adjusted net income on the proposed CSRLF loan is projected to average 140% over the four years that payments are intercepted.
Risk Profile	BayTech's historical financial data demonstrates a strong fiscal and operational capacity to maintain ongoing financial stability necessary to meet its CSRLF debt service obligations.

Legal Status Questionnaire: BayTech's response to the Authority's Legal Status Questionnaire stated the borrower and all related parties have no knowledge of any civil, criminal, or regulatory proceedings, investigations, or actions as described in the Legal Status Questionnaire that would require disclosure.

School Organizational Information: BayTech's organizational goals are structurally aligned with a defined 21st-century educational curriculum designed to cultivate college and career readiness in an interconnected global economy. This framework integrates traditional core academic disciplines such as literacy, mathematics, science, and social studies with digital literacy and technological proficiency, training students to navigate information responsibly and utilize technology for problem-solving. Beyond traditional academics, BayTech's program explicitly emphasizes personal development, focusing on self-motivation, resilience, flexibility, and cultural competence.

According to information provided by the applicant, the school implements a distributed decision-making framework in which the BayTech Board of Directors retains policy-level authority, delegating day-to-day management to the Executive Director. Under this direction, the Principal oversees operational planning and instructional execution alongside professional staff, parents, and community members, utilizing advisory support from the BayTech Family Leadership Council and the English Learner Advisory Committee. BayTech's Executive Director is currently Seth Feldman, with Gail Puhl serving as Principal.

<u>Enrollment Trends and Projections</u>: The table below presents enrollment and average daily attendance (ADA) for BayTech. Historical 2023 to 2026 information is drawn from the California Department of Education (CDE), and BayTech provided projections for 2027 through 2031. According to information provided by the applicant, BayTech's enrollment decline from 309 students in FY 2023-24 to a P2 count of 199 in FY 2025-26 stems directly from an external safety crisis. BayTech previously shared a campus with King Estates, an OUSD school that suffered a mass shooting. This tragic event severely compromised the perceived safety of the shared site, understandably driving families away and causing a multi-year downturn. However, an analysis of the data indicates that the decline has already bottomed out. While the official P2 snapshot recorded 199 students, the school closed FY 2025-26 at 210 students. This late-year growth served as an early indicator of enrollment recovery.

Management successfully addressed this crisis by completely isolating the school from the compromised location and building a standalone facility in fall 2025. This relocation has served as the operational turning point, sparking an increase in enrollment as the school re-establishes itself in a new neighborhood. Current registrations show the school is on track to meet its Multi-Year Plan (MYP) projections. To absorb the surging demand, administration expanded capacity by adding secondary sections in middle school and 10th grade. While the school shows zero waitlisted students, this is a strategic result of increased section capacity rather than low interest. According to BayTech staff, the middle school program is currently tracking within 10 students of its maximum enrollment.

Enrollment Summary

Enrollment	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Total	**309**	**255**	**199**	**244**	**290**	**320**	**350**	**350**
ADA%	**91.53%**	**86.38%**	**91.28%**	**95.00%**	**95.00%**	**95.00%**	**95.00%**	**95.00%**

<u>Financial Analysis</u>

<u>Debt Repayment Analysis Table</u>

OPERATIONAL, FINANCIAL & STUDENT PERFORMANCE METRICS	Actual FY 2023	Actual FY 2024	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029	Projected FY 2030	Projected FY 2031	Projected FY 2032	Projected FY 2033	Projected FY 2034	Projected FY 2035
Enrollment	349	309	255	199	244	290	320	350	350	0	0	0	0
Average Daily Attendance (ADA)	305	283	220	182	232	276	304	333	333	0	0	0	0
ADA Rate (%)	87.4%	91.5%	86.4%	91.3%	95.0%	95.0%	95.0%	95.0%	95.0%				
FTE Teacher Headcount	0	0	0	0	0	0	0	0	0	0	0	0	0
Student/Teacher Ratio													
TOTAL OPERATING REVENUES	**$ 7,848,248**	**$ 6,507,297**	**$ 5,785,017**	**$ 7,061,484**	**$ 6,262,874**	**$ 6,844,262**	**$ 7,331,010**	**$ 7,173,356**	**$ 7,388,036**	**$ -**	**$ -**	**$ -**	**$ -**
TOTAL OPERATING EXPENDITURES	**$ 6,424,950**	**$ 6,398,485**	**$ 6,530,145**	**$ 6,480,034**	**$ 6,491,216**	**$ 6,820,059**	**$ 7,515,647**	**$ 6,978,598**	**$ 7,126,555**	**$ -**	**$ -**	**$ -**	**$ -**
Adjusted Net Income	**$ 1,423,298**	**$ 108,812**	**$ (745,128)**	**$ 723,773**	**$ (86,019)**	**$ 152,316**	**$ (70,733)**	**$ 308,662**	**$ 375,385**	**$ -**	**$ -**	**$ -**	**$ -**
Less RLF Loan Payments	-	-	-	-	-	134,514	134,514	134,514	134,514	-	-	-	-
Free Cash Flow	**$ 1,423,298**	**$ 108,812**	**$ (745,128)**	**$ 723,773**	**$ (86,019)**	**$ 17,802**	**$ (205,246)**	**$ 174,149**	**$ 240,871**	**$ -**	**$ -**	**$ -**	**$ -**
LCFF STATE AID SUBJECT TO INTERCEPT													
August through January	$ -	$ -	$ -	$ -	$ -	$ 1,534,640	$ 1,747,452	$ 1,968,865	$ 2,027,905	$ -	$ -	$ -	$ -
In Fiscal Year	$ -	$ -	$ -	$ -	$ -	$ 3,069,280	$ 3,494,904	$ 3,937,730	$ 4,055,809	$ -	$ -	$ -	$ -
DEBT SERVICE COVERAGE													
DSC from Adjusted Net Income						1.1	-0.5	2.3	2.8				
DSC from LCFF State Aid Subject to Intercept August through January						11.4	13.0	14.6	15.1				
DSC from LCFF State Aid Subject to Intercept in Fiscal Year						22.8	26.0	29.3	30.2				

<u>Financial Summary:</u>

- Free Cash Flow and/or per ADA – BayTech operates with positive cash flow, averaging $183,590.
- Debt Service Coverage from Adj. Net Income – Estimated average debt service coverage is 140%.
- Enrollment – Average ADA is reasonable based on historic and projected values.

<u>Staff Recommendation:</u> Staff recommends that the California School Finance Authority (CSFA) Board approve BayTech's request for a loan in the amount of $500,000 from the CSRLF. BayTech will repay the CSRLF loan no later than January 2031. This determination, as it relates to BayTech, shall remain in effect for Fiscal Year 2026-27 and assumes no financial, operational, or legal material findings within this period. This recommendation is contingent upon BayTech electing to have its CSRLF payments intercepted at the state level, pursuant to EDC § 41365 (f)(1).

Staff's recommendation is based on the methodology outlined in the Item 11 Methodology Report. Once approved, staff will notify the Applicant of the conditional loan approval. Staff will confirm all funding criteria and Program requirements are met before executing a loan agreement and disbursing loan proceeds. Staff will carry out all other necessary steps to disburse funds.

Charter School Revolving Loan Fund
Fiscal Year 2026-27 Funding Round
Staff Summary Report – September 24, 2026
Item No. 11.3 – Resolution 26-29

Executive Summary

Applicant:	Baypoint Preparatory Academy
School:	Baypoint Preparatory Academy
CDS (County – District – School) Code:	37-77172-0138099
School Address:	520 E. Carmel St, San Marcos, CA 92078
County:	San Diego
District in which School is Located:	San Diego County Office of Education
Charter Authorizer:	San Diego County Office of Education
Affiliated Organization Description:	Baypoint Preparatory Academy, a California nonprofit public benefit corporation described under section 501(c)(3) of the Internal Revenue Code.
Par Amount Requested:	Not-to-Exceed $500,000
Applicant Category:	Existing School
Loan Term:	4 Years
Projected Interest Rate:	3.00%
Estimated Annual CSRLF Payment:	**$134,514**

Staff recommends that the California School Finance Authority (Authority or CSFA) Board determine that Baypoint Preparatory Academy (School or BPA) is approved for a loan of $500,000 from the Charter School Revolving Loan Fund (Program or CSRLF). This determination, as it relates to BPA, shall remain in effect for Fiscal Year 2026-27 and assumes no financial, operational, or legal material findings within this period. This recommendation is contingent upon BPA electing to have its CSRLF payments intercepted at the state level, under Sections 41365(f) of the Education Code. Staff recommend that the CSFA Board direct staff to notify the Applicant of the conditional loan approval, confirm the school meets all funding criteria and Program requirements before executing the loan agreement, and carry out all other necessary steps to disburse funds.

Eligibility and Financial Analysis: Below, staff highlights key criteria evaluated when conducting the financial soundness review for BPA. Detailed information is contained in the body of the report:

Criteria	Comments
Eligibility Criteria	BPA has met all eligibility criteria: (1) BPA commenced operations in 2018; (2) BPA's charter is in place through June 2033; (3) San Diego County Office of Education has confirmed that as of July 30, 2026, BPA is compliant with the terms of its Charter Agreement and has no pending or outstanding Notices of Violation or Intent to Revoke.
Demographic Information	In FY 2025-26, BPA had a total enrollment of 176 students in grades TK through 8; the average daily attendance (ADA) rate was 94.29%, and the Unduplicated Pupil Percentage (UPP) was 56.70%.
Debt Service Coverage	BPA's debt service coverage from adjusted net income on the proposed CSRLF loan is projected to average 580% over the four years that payments are intercepted.
Risk Profile	BPA's historical financial data demonstrates a strong fiscal and operational capacity to maintain ongoing financial stability necessary to meet its CSRLF debt service obligations.

Legal Status Questionnaire: BPA's response to the Authority's Legal Status Questionnaire stated the borrower and all related parties have no knowledge of any civil, criminal, or regulatory proceedings, investigations, or actions as described in the Legal Status Questionnaire that would require disclosure.

School Organizational Information: Academically, BPA integrates Universal Design for Learning (UDL 3.0) and a three-tier Multi-Tiered System of Support (MTSS) for differentiated instruction, supported by digital tools like i-Ready to customize math and language arts pathways. This academic framework is reinforced by Academic Coaches who handle classroom logistics, allowing teachers to focus more fully on targeted instruction.

BPA's Board of Directors, comprising three to nine voting members, establishes policy and fiscal oversight, while executive management is streamlined under CEO Frank Ogwaro for high-level strategy and Executive Director Sabina Chaar for daily operations. Stakeholder engagement is formalized through the Educational Partners Committee, which merges various advisory bodies to provide recommendations on accountability plans.

<u>Enrollment Trends and Projections</u>: The table below presents enrollment and ADA for BPA. Historical 2023 to 2026 information is drawn from the California Department of Education (CDE) and BPA provided projections for 2027 through 2031. An analysis of the school's recent performance reveals a sharp enrollment decline from 237 to 162 students. According to the school, the decline was triggered by a vocal social media campaign launched by a small group of families. These parents publicly opposed a programmatic change implemented by the board, creating widespread community uncertainty about the institution's future. The board and the school's authorizer remained committed to the academic transition. The school subsequently received a "high-performing school" classification, and secured a seven-year charter renewal.

To address this past fluctuation and manage upcoming growth, leadership is employing conservative enrollment forecasting and seeking external financial stabilization. The school has rebounded with 288 student applications for the upcoming fall, but analysts are projecting a cautious baseline of 235 fully registered students and a conservative 17% growth rate for the following year. Furthermore, administration is prepared to make swift expense reductions to match revenue if needed, while actively pursuing a revolving loan. The proposed loan would provide support for short-term cash flow, as initial state funding remains tied to last year's lower student count while the school actively serves a significantly larger student body this fall.

Enrollment Summary

Enrollment	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Total	237	162	176	235	274	316	364	388
ADA%	95.42%	93.87%	92.91%	94.29%	95.00%	95.00%	95.00%	95.00%

<u>Financial Analysis</u>

<u>Debt Repayment Analysis Table</u>

OPERATIONAL, FINANCIAL & STUDENT PERFORMANCE METRICS	Actual FY 2023	Actual FY 2024	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029	Projected FY 2030	Projected FY 2031	Projected FY 2032	Projected FY 2033	Projected FY 2034	Projected FY 2035
Enrollment	199	237	162	176	235	274	316	364	388	0	0	0	0
Average Daily Attendance (ADA)	190	222	151	166	223	260	300	346	369	0	0	0	0
ADA Rate (%)	95.4%	93.9%	92.9%	94.3%	95.0%	95.0%	95.0%	95.0%	95.0%				
FTE Teacher Headcount	10	10	9	9	11	14	15	16	17	0	0	0	0
Student/Teacher Ratio	19.9	23.7	18.0	19.6	21.4	19.6	21.1	22.8	22.8				
TOTAL OPERATING REVENUES	**$ 3,347,572**	**$ 4,114,439**	**$ 3,272,217**	**$ 3,489,020**	**$ 4,128,464**	**$ 4,933,717**	**$ 5,787,725**	**$ 6,789,138**	**$ 7,359,532**	**$ -**	**$ -**	**$ -**	**$ -**
TOTAL OPERATING EXPENDITURES	**$ 3,250,348**	**$ 3,593,265**	**$ 3,737,124**	**$ 3,512,209**	**$ 4,158,843**	**$ 4,983,840**	**$ 5,289,402**	**$ 5,751,427**	**$ 6,248,599**	**$ -**	**$ -**	**$ -**	**$ -**
Adjusted Net Income	**$ 97,224**	**$ 521,174**	**$ (464,907)**	**$ 92,223**	**$ 90,033**	**$ 75,289**	**$ 623,735**	**$ 1,163,123**	**$ 1,236,345**	**$ -**	**$ -**	**$ -**	**$ -**
Less RLF Loan Payments	-	-	-	-	-	134,514	134,514	134,514	134,514	-	-	-	-
Free Cash Flow	**$ 97,224**	**$ 521,174**	**$ (464,907)**	**$ 92,223**	**$ 90,033**	**$ (59,225)**	**$ 489,221**	**$ 1,028,610**	**$ 1,101,831**	**$ -**	**$ -**	**$ -**	**$ -**
LCFF STATE AID SUBJECT TO INTERCEPT													
August through January	$ -	$ -	$ -	$ -	$ -	$ 1,639,664	$ 1,956,606	$ 2,331,185	$ 2,550,147	$ -	$ -	$ -	$ -
In Fiscal Year	$ -	$ -	$ -	$ -	$ -	$ 3,279,327	$ 3,913,211	$ 4,662,369	$ 5,100,294	$ -	$ -	$ -	$ -
DEBT SERVICE COVERAGE													
DSC from Adjusted Net Income						0.6	4.6	8.6	9.2				
DSC from LCFF State Aid Subject to Intercept August through January						12.2	14.5	17.3	19.0				
DSC from LCFF State Aid Subject to Intercept in Fiscal Year						24.4	29.1	34.7	37.9				

<u>Financial Summary:</u>

- Free Cash Flow and/or per ADA – BPA operates with positive cash flow, averaging $321,798.
- Debt Service Coverage from Adj. Net Income – Estimated average debt service coverage is 580%.
- Enrollment – Average ADA is reasonable based on historic and projected values.

<u>Staff Recommendation:</u> Staff recommends that the California School Finance Authority (CSFA) Board approve BPA's request for a loan in the amount of $500,000 from the CSRLF. BPA will repay the CSRLF loan no later than January 2031. This determination, as it relates to BPA, shall remain in effect for Fiscal Year 2026-27 and assumes no financial, operational, or legal material findings within this period. This recommendation is contingent upon BPA electing to have its CSRLF payments intercepted at the state level, pursuant to Education Code § 41365 (f)(1).

Staff’s recommendation is based on the methodology outlined in the Item 11 Methodology Report. Once approved, staff will notify the Applicant of the conditional loan approval. Staff will confirm all funding criteria are compliant with Program regulations before executing a loan agreement and disbursing loan proceeds. Staff will carry out all other necessary steps to disburse funds.

Charter School Revolving Loan Fund
Fiscal Year 2026-27 Funding Round
September 24, 2027
Attachment 11.4 – Resolution 26-29

Executive Summary

Applicant:	California Republic Leadership Academy Orange County/CRLA Southern California
School	California Republic Leadership Academy Orange County
CDS (County – District – School) Code:	30-10306-0165670
School Address:	24301 El Toro Rd., Laguna Woods, CA 92637
County:	Orange
District in which School is Located:	Saddleback Valley Unified School District
Charter Authorizer:	Orange County Department of Education
Affiliated Organization Description:	*CRLA Southern California*, a California nonprofit public benefit corporation described under section 501(c)(3) of the Internal Revenue Code.
Par Amount Requested:	Not-to-Exceed $500,000
Applicant Category:	New Charter School
Loan Term:	Four Years
Projected Interest Rate:	3.00%
Estimated Annual CSRLF Payment:	$134,514

Staff recommends that the California School Finance Authority (Authority or CSFA) Board determine that California Republic Leadership Academy Orange County is approved for a loan of $500,000 from the Charter School Revolving Loan Fund (Program or CSRLF). This determination, as it relates to California Republic Leadership Academy Orange County, shall remain in effect for Fiscal Year 2026-27 and assumes no financial, operational, or legal material findings within this period. This recommendation is contingent upon California Republic Leadership Academy Orange County electing to have its CSRLF payments intercepted at the state level, under Section 41365(f) of the Education Code. Staff recommends that the CSFA Board direct staff to notify California Republic Leadership Academy Orange County of the conditional loan approval, confirm the school meets all funding criteria and Program requirements before executing the loan agreement, and carry out all other necessary steps to disburse funds.

Eligibility and Financial Analysis: Below, staff highlight key criteria evaluated when conducting the financial soundness review for California Republic Leadership Academy Orange County. Detailed information is contained in the body of the report:

Criteria	Comments
Eligibility Criteria	California Republic Leadership Academy Orange County has met all eligibility criteria: (1) California Republic Leadership Academy Orange County commenced operations in August 2026; (2) California Republic Leadership Academy Orange County's charter is in place through June 2031; (3) Orange County Department of Education has confirmed that as of June 8, 2026, California Republic Leadership Academy Orange County is compliant with the terms of its Charter Agreement and has no pending or outstanding Notices of Violation or Intent to Revoke.
Demographic Information	In 2027, California Republic Leadership Academy Orange County is projecting a total enrollment of 213 students in grades TK through 6, with the average daily attendance (ADA) rate at 95%, and the Unduplicated Pupil Percentage (UPP) at 46.41%.
Debt Service Coverage	California Republic Leadership Academy Orange County's debt service coverage from adjusted net income on the proposed CSRLF loan is projected to average 1,540% over the four years that payments are intercepted.
Risk Profile	• The charter petition, multiyear financial projections, and enrollment projections are found to be reasonable based on area demographics, CMO management experience and operating history, and California Republic Leadership Academy Orange County's management. • First-year loan disbursements will be contingent upon the verification of actual student enrollment and ADA.

Legal Status Questionnaire: California Republic Leadership Academy Orange County's response to the Authority's Legal Status Questionnaire stated the borrower, CRLA Southern California, and all related parties have no knowledge of any civil, criminal, or regulatory proceedings, investigations, or actions as described in the Legal Status Questionnaire that would require disclosure.

School Organizational Information: The Academy is authorized as a tuition-free TK-12 Virtuous Leadership Classical Education program operating at three sites, including a comprehensive high school. The Academy follows a classical classroom-based instructional program that utilizes standards-aligned textbooks and standards-aligned curricular resources, along with a solid Servant Leadership Curriculum. The school opened on August 19, 2026, serving scholars in grades TK-4, and will successively add a grade level each year, provided there is sufficient enrollment to support serving scholars at each grade level. Based on its experience at the elementary level, CRLA Southern California has received requests from current families for students to continue their educational journey within the virtuous leadership classical educational model at the middle and high school levels. The school anticipates launching the high school program in FY 2027-28.

The Academy will be operated by CRLA Southern California, a California nonprofit public benefit corporation. Currently, CRLA Southern California operates two TK-8 charter schools, CRLA Capistrano and CRLA Yorba Linda. CRLA Southern California now boasts 480 enrolled students in grades TK-7 across both campuses and has a waitlist of over 350 students.

Enrollment Trends and Projections: The table below presents enrollment and ADA for California Republic Leadership Academy Orange County. California Republic Leadership Academy Orange County provided projections for fiscal years 2027 through 2031.

Enrollment Summary

Grade	2026-27	2027-28	2028-29	2029-30	2030-31
Total	213	536	1,124	1,582	2,042
ADA%	95%	95%	95%	95%	95%

Financial Analysis

Debt Repayment Analysis Table

OPERATIONAL, FINANCIAL & STUDENT PERFORMANCE METRICS	Actual FY 2023	Actual FY 2024	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029	Projected FY 2030	Projected FY 2031
Enrollment	0	0	0	0	213	536	1,124	1,582	2,042
Average Daily Attendance (ADA)	0	0	0	0	202	509	1,068	1,503	1,940
ADA Rate (%)					95.0%	95.0%	95.0%	95.0%	95.0%
FTE Teacher Headcount	0	0	0	0	0	0	0	0	0
Student/Teacher Ratio									
TOTAL OPERATING REVENUES	$ -	$ -	$ -	$ -	$ 3,151,314	$ 8,231,651	$ 17,780,063	$ 25,989,614	$ 34,452,660
TOTAL OPERATING EXPENDITURES	$ -	$ -	$ -	$ -	$ 2,837,626	$ 7,679,377	$ 16,253,519	$ 23,333,744	$ 30,889,946
Adjusted Net Income	$ -	$ -	$ -	$ -	$ 313,688	$ 552,274	$ 1,526,544	$ 2,655,870	$ 3,562,714
Less RLF Loan Payments	-	-	-	-	-	134,514	134,514	134,514	134,514
Free Cash Flow	$ -	$ -	$ -	$ -	$ 313,688	$ 417,761	$ 1,392,031	$ 2,521,357	$ 3,428,201
LCFF STATE AID SUBJECT TO INTERCEPT									
August through January	$ -	$ -	$ -	$ -	$ -	$ 546,662	$ 1,188,287	$ 1,731,614	$ 2,307,996
In Fiscal Year	$ -	$ -	$ -	$ -	$ -	$ 1,093,324	$ 2,376,574	$ 3,463,227	$ 4,615,993
DEBT SERVICE COVERAGE									
DSC from Adjusted Net Income						4.1	11.3	19.7	26.5
DSC from LCFF State Aid Subject to Intercept August through January						4.1	8.8	12.9	17.2
DSC from LCFF State Aid Subject to Intercept in Fiscal Year						8.1	17.7	25.7	34.3

Financial Summary:

- Free Cash Flow and/or per ADA – California Republic Leadership Academy Orange County operates with positive cash flow; staff finds projections reasonable and within tolerance given the length of the period examined.
- Debt Service Coverage from Intercept – Estimated average projected debt service coverage is 1,070%.
- Debt Service Coverage from Adj. Net Income – Estimated average debt service coverage is 1,540%.
- Enrollment – Projected ADA is considered reasonable based on enrollment projections and CMO operating history.

Staff Recommendation: Staff recommends that the California School Finance Authority (CSFA) Board approve California Republic Leadership Academy Orange County's request for a loan in the amount of $500,000 from the CSRLF. California Republic Leadership Academy Orange County will repay the CSRLF loan no later than January 2031. This determination, as it relates to California Republic Leadership Academy Orange County, shall remain in effect for Fiscal Year 2027 and assumes no financial, operational, or legal material findings within this period. This recommendation is contingent upon California Republic Leadership Academy Orange County electing to have its CSRLF payments intercepted at the state level, pursuant to Education Code § 41365 (f)(1).

Staff's recommendation is based on the methodology outlined in the Item 11 Methodology Report. Once approved, staff will notify the Applicant of the conditional loan approval. Staff will confirm all funding criteria are met before executing a loan agreement and disbursing loan proceeds. Staff will carry out all other necessary steps to disburse funds.

Charter School Revolving Loan Fund
Fiscal Year 2026-27 Funding Round
Staff Summary Report – September 24, 2026
Item No. 11.5 – Resolution 26-29

Executive Summary

Applicant:	Eleanor Roosevelt Community Learning Center
School	Eleanor Roosevelt Community Learning Center
CDS (County – District – School) Code:	54-10546-6119291
School Address:	31191 Road 180, Visalia, CA 93292
County:	Tulare
District in which School is Located:	Tulare County Office of Education
Charter Authorizer:	Tulare County Office of Education
Affiliated Organization Description:	Eleanor Roosevelt Community Learning Center, a California nonprofit public benefit corporation described under section 501(c)(3) of the Internal Revenue Code.
Par Amount Requested:	Not-to-Exceed $500,000
Applicant Category:	Existing Charter School
Loan Term:	4 Years
Projected Interest Rate:	3.00%
Estimated Annual CSRLF Payment:	**$134,514**

Staff recommends that the California School Finance Authority (Authority or CSFA) Board determine that Eleanor Roosevelt Community Learning Center (School or ERCLC) is approved for a loan of $500,000 from the Charter School Revolving Loan Fund (Program or CSRLF). This determination, as it relates to ERCLC, shall remain in effect for Fiscal Year 2026-27 and assumes no financial, operational, or legal material findings within this period. This recommendation is contingent upon ERCLC electing to have its CSRLF payments intercepted at the state level, under Section 41365(f) of the Education Code. Staff recommends that the CSFA Board direct staff to notify the Applicant of the conditional loan approval, confirm the school meets all funding criteria and Program requirements before executing the loan agreement, and carry out all other necessary steps to disburse funds.

Eligibility and Financial Analysis: Below, staff highlighted key criteria evaluated when conducting the financial soundness review for ERCLC. Detailed information is contained in the body of the report:

Criteria	Comments
Eligibility Criteria	ERCLC has met all eligibility criteria: (1) ERCLC commenced operations in August 2001; (2) ERCLC's charter is in place through June 2027; (3) Tulare County Office of Education has confirmed that as of July 30, 2026, ERCLC is compliant with the terms of its Charter Agreement and has no pending or outstanding Notices of Violation or Intent to Revoke.
Demographic Information	In FY 2025-26, ERCLC had a total enrollment of 593 students in grades TK through 12; the average daily attendance (ADA) rate was 97.65%, and the Unduplicated Pupil Percentage (UPP) was 60.09%.
Debt Service Coverage	ERCLC's debt service coverage from adjusted net income on the proposed CSRLF loan is projected to average 320% over the 4 years that payments are intercepted.
Risk Profile	ERCLC's historical financial data demonstrates a strong fiscal and operational capacity to maintain ongoing financial stability necessary to meet its CSRLF debt service obligations.

Legal Status Questionnaire: ERCLC's response to the Authority's Legal Status Questionnaire stated the borrower and all related parties have no knowledge of any civil, criminal, or regulatory proceedings, investigations, or actions as described in the Legal Status Questionnaire that would require disclosure.

School Organizational Information: ERCLC operates under a Superintendent who manages all instructional and business operations, reporting directly to an independent Board of Directors. The Board maintains full responsibility for fiscal affairs, annual budgets, and independent audits, conducting public meetings. Operational efficiency is further reinforced by a Director of Business Operations and dedicated support staff, while structured stakeholder feedback is systematically integrated through the School Advisory Council (SAC) and the English Language Advisory Council (ELAC).

According to information provided by the applicant, from an instructional standpoint, ERCLC features a highly structured, non-classroom-based homeschool model centered around a "Four Pillar" learning framework. The educational program balances a guided, standards-based core curriculum with inquiry-based, hands-on learning and social-emotional development. The model positions parents as primary learning partners who collaborate with credentialed Education Coordinators (ECs). Accountability is maintained through mandatory student-EC progress meetings held at least once every 20 school days. While primarily remote, the program incorporates hybrid elements, including weekly on-site enrichment classes, labs, and tutoring, alongside secondary pathways that actively promote early college enrollment and work-based learning.

Enrollment Trends and Projections: The table below presents enrollment and ADA for ERCLC. Historical information for 2023 through 2026 is drawn from the California Department of Education (CDE), and ERCLC provided projections for 2027 through 2031. The school's enrollment projections were found to be reasonable based on the period reviewed.

Enrollment Summary

Enrollment	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Total	**416**	**467**	**593**	**608**	**710**	**710**	**710**	**710**
ADA%	**98.39%**	**96.73%**	**98.86%**	**97.65%**	**95.00%**	**95.00%**	**95.00%**	**95.00%**

Financial Analysis

Debt Repayment Analysis Table

OPERATIONAL, FINANCIAL & STUDENT PERFORMANCE METRICS	Actual FY 2023	Actual FY 2024	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029	Projected FY 2030	Projected FY 2031
Enrollment	390	416	467	593	608	710	710	710	710
Average Daily Attendance (ADA)	384	402	462	579	578	675	675	675	675
ADA Rate (%)	98.4%	96.7%	98.9%	97.6%	95.0%	95.0%	95.0%	95.0%	95.0%
FTE Teacher Headcount	0	0	0	0	0	0	0	0	0
Student/Teacher Ratio									
TOTAL OPERATING REVENUES	$ 5,229,875	$ 6,244,372	$ 7,935,097	$ 9,269,565	$ 10,367,054	$ 12,176,764	$ 12,479,728	$ 12,643,517	$ 13,002,774
TOTAL OPERATING EXPENDITURES	$ 5,232,201	$ 5,886,852	$ 7,931,872	$ 9,372,486	$ 11,486,972	$ 11,875,826	$ 12,299,452	$ 12,618,460	$ 12,924,106
Adjusted Net Income	$ (2,326)	$ 357,520	$ 3,225	$ 194,545	$ (830,943)	$ 586,658	$ 465,726	$ 310,099	$ 360,811
Less RLF Loan Payments	-	-	-	-	-	134,514	134,514	134,514	134,514
Free Cash Flow	$ (2,326)	$ 357,520	$ 3,225	$ 194,545	$ (830,943)	$ 452,145	$ 331,212	$ 175,585	$ 226,297
LCFF STATE AID SUBJECT TO INTERCEPT									
August through January	$ -	$ -	$ -	$ -	$ -	$ 4,636,337	$ 4,791,310	$ 4,941,546	$ 5,089,752
In Fiscal Year	$ -	$ -	$ -	$ -	$ -	$ 9,272,674	$ 9,582,620	$ 9,883,092	$ 10,179,504
DEBT SERVICE COVERAGE									
DSC from Adjusted Net Income						4.4	3.5	2.3	2.7
DSC from LCFF State Aid Subject to Intercept August through January						34.5	35.6	36.7	37.8
DSC from LCFF State Aid Subject to Intercept in Fiscal Year						68.9	71.2	73.5	75.7

Financial Summary:

- Free Cash Flow and/or per ADA – ERCLC operates with positive cash flow, averaging $195,455.56.
- Debt Service Coverage from Adj. Net Income – Estimated average debt service coverage is 320%.
- Enrollment – Average ADA is reasonable based on historic and projected values.

Staff Recommendation: Staff recommends that the California School Finance Authority (CSFA) Board approve ERCLC's request for a loan in the amount of $500,000 from the CSRLF. ERCLC will repay the CSRLF loan no later than January 2031. This determination, as it relates to ERCLC, shall remain in effect for Fiscal Year 2026-27 and assumes no financial, operational, or legal material findings within this period. This recommendation is contingent upon ERCLC electing to have its CSRLF payments intercepted at the state-level, pursuant to EDC § 41365 (f)(1).

Staff's recommendation is based on the methodology outlined in the Item 11 memo. Once approved, staff will notify the Applicant of the conditional loan approval. Staff will confirm all funding criteria and Program requirements are met before executing a loan agreement and dispersing loan proceeds. Staff will carry out all other necessary steps to disburse funds.

Charter School Revolving Loan Fund
Fiscal Year 2026-27 Funding Round
Staff Summary Report – September 24, 2026
Item No. 11.6 – Resolution 26-29

Executive Summary

Applicant:	iLEAD Flex Charter
School	iLEAD Flex Charter
CDS (County – District – School) Code:	19-64246-0168336
School Address:	3700 W Avenue L, Lancaster, CA 93535
County:	Los Angeles
District in which School is Located:	Antelope Valley Union High School District
Charter Authorizer:	Antelope Valley Union High School District
Affiliated Organization Description:	iLEAD California (iLEAD California Charters 1), a California nonprofit public benefit corporation described under section 501(c)(3) of the Internal Revenue Code.
Par Amount Requested:	Not-to-Exceed $500,000
Applicant Category:	New Charter School
Loan Term:	4 Years
Projected Interest Rate:	3.00%
Estimated Annual CSRLF Payment:	$134,514

Staff recommends that the California School Finance Authority (Authority or CSFA) Board determine that iLEAD Flex Charter is approved for a loan of $500,000 from the Charter School Revolving Loan Fund (Program or CSRLF). This determination, as it relates to iLEAD Flex Charter, shall remain in effect for Fiscal Year 2026-27 and assumes no financial, operational, or legal material findings within this period. This recommendation is contingent upon iLEAD Flex Charter electing to have its CSRLF payments intercepted at state level, under section 41365(f) of the Education Code. Staff recommends that the CSFA Board direct staff to notify the Applicant of the conditional loan approval, confirm the school meets all funding criteria and Program requirements before executing the loan agreement, and carry out all other necessary steps to disburse funds.

Eligibility and Financial Analysis: Below, staff highlighted key criteria evaluated when conducting the financial soundness review for iLEAD Flex Charter. Detailed information is contained in the body of the report:

Criteria	Comments
Eligibility Criteria	iLEAD Flex Charter has met all eligibility criteria: (1) iLEAD Flex Charter commenced operations in August 2026; (2) iLEAD Flex Charter's charter is in place through June 2031; (3) (3) iLEAD Flex Charter is in compliance with the terms of its Charter Agreement and has no pending or outstanding Notices of Violation or Intent to Revoke with its authorizer, Antelope Valley Union High School District, as of July 8, 2026.
Demographic Information	In FY 2027, iLEAD Flex Charter projects a total FY 2026-27 enrollment of 745 students in grades TK through 12th, UPP and ADA have not been established as the recently school opened.
Debt Service Coverage	iLEAD Flex Charter's debt service coverage from August through January intercept of state apportionment on the proposed CSRLF loan is projected to average 325% over the 4 years that payments are intercepted.
Risk Profile	• The charter petition, multiyear financial projections, and enrollment projections are found to be reasonable based on area demographics, CMO agreement to guarantee the proposed loan, management experience and operating history. • CSRLF loan disbursements will be contingent upon the verification of actual student enrollment and ADA.

Legal Status Questionnaire: iLEAD Flex Charter's response to the Authority's Legal Status Questionnaire stated the borrower charter school management organization, and all related parties have no knowledge of any civil, criminal, or regulatory proceedings, investigations, or actions as described in the Legal Status Questionnaire that would require disclosure.

School Organizational Information: iLEAD Flex Charter is an expansion school operated by the charter management organization (CMO), iLEAD California. The CMO now operates eight charter schools including iLEAD Flex Charter. iLEAD Flex Charter will be operationally independent as a non-classroom based public charter school serving grades TK-12 with a five-year charter authorized by the Antelope Valley Union High School District.

Enrollment Trends and Projections: The table below presents enrollment and ADA projections for iLEAD Flex Charter for fiscal years 2026-27 through 2030-31. Realizing the enrollment and ADA projections for FY 2026-27 will be a determining factor in disbursing CSRLF proceeds to the school.

Enrollment Summary

Year	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Total	N/A	N/A	N/A	745	830	870	895	895
ADA%	N/A	N/A	N/A	94.90%	94.10%	95.40%	95.42%	95.42%

Financial Analysis:

Debt Repayment Analysis Table

OPERATIONAL, FINANCIAL & STUDENT PERFORMANCE METRICS	Actual FY 2023	Actual FY 2024	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029	Projected FY 2030	Projected FY 2031
Enrollment	0	0	0	0	745	830	870	895	895
Average Daily Attendance (ADA)	0	0	0	0	707	781	830	854	854
ADA Rate (%)					94.9%	94.1%	95.4%	95.4%	95.4%
FTE Teacher Headcount	0	0	0	0	0	0	0	0	0
Student/Teacher Ratio									
TOTAL OPERATING REVENUES	**$ -**	**$ -**	**$ -**	**$ -**	**$ 9,638,733**	**$ 10,963,775**	**$ 12,090,445**	**$ 12,848,172**	**$ 13,220,194**
TOTAL OPERATING EXPENDITURES	**$ -**	**$ -**	**$ -**	**$ -**	**$ 10,109,068**	**$ 11,530,156**	**$ 12,497,490**	**$ 13,093,359**	**$ 13,412,680**
Adjusted Net Income	**$ -**	**$ -**	**$ -**	**$ -**	**$ (378,435)**	**$ (474,481)**	**$ (315,145)**	**$ (153,287)**	**$ (100,586)**
Less RLF Loan Payments	-	-	-	-	-	134,514	134,514	134,514	134,514
Free Cash Flow	**$ -**	**$ -**	**$ -**	**$ -**	**$ (378,435)**	**$ (608,995)**	**$ (449,659)**	**$ (287,800)**	**$ (235,100)**
LCFF STATE AID SUBJECT TO INTERCEPT									
August through January	$ -	$ -	$ -	$ -	$ -	$ 3,887,124	$ 4,304,071	$ 4,584,151	$ 4,721,752
In Fiscal Year	$ -	$ -	$ -	$ -	$ -	$ 7,774,248	$ 8,608,142	$ 9,168,301	$ 9,443,504
DEBT SERVICE COVERAGE									
DSC from Adjusted Net Income						-3.5	-2.3	-1.1	-0.7
DSC from LCFF State Aid Subject to Intercept August through January						28.9	32.0	34.1	35.1
DSC from LCFF State Aid Subject to Intercept in Fiscal Year						57.8	64.0	68.2	70.2

Financial Summary:

- Free Cash Flow and/or per ADA – iLEAD Flex Charter is projected to operate with a positive cash flow; staff finds projections reasonable.
- Debt Service Coverage from Intercept – Estimated average projected debt service coverage is 325%.
- Debt Service Coverage from Adj. Net Income – Estimated average debt service coverage is projected to average -600% over the charter term when 10% of state revenue is remitted to the CMO for interagency debt service. CSRLF DSC rises to 200% when the remittance to the CMO is reduced to 5%.
- Enrollment – Average ADA is reasonable based on *three years average ADA of other iLEAD schools.*

Staff Recommendation: Staff recommends that the California School Finance Authority (CSFA) Board approve iLEAD Flex Charter's request for a loan in the amount of $500,000 from the CSRLF. iLEAD Flex Charter will repay the CSRLF loan no later than June 2031. This determination, as it relates to iLEAD Flex Charter, shall remain in effect for fiscal year 2026-27 and assumes no financial, operational, or legal material findings within this period. This recommendation is contingent upon iLEAD Flex Charter electing to have its CSRLF payments intercepted at the state level, pursuant to EDC § 41365 (f)(1).

Staff's recommendation is based on the methodology outlined in the Item 11 Methodology Report. Once approved, staff will notify the Applicant of the conditional loan approval. Staff will confirm all funding criteria and Program requirements are met before executing a loan agreement and disbursing loan proceeds. Staff will carry out all other necessary steps to disburse funds.

Charter School Revolving Loan Fund
Fiscal Year 2026-27 Funding Round
Staff Summary Report – September 24, 2026
Attachment 11.7 – Resolution 26-29

Executive Summary

Applicant:	MacArthur Park Charter
School	MacArthur Park Charter
CDS (County – District – School) Code:	49-70953-0168054
School Address:	343 East MacArthur Street, Sonoma, CA 95476
County:	Sonoma
District in which School is Located:	Sonoma Valley Unified School District
Charter Authorizer:	Sonoma Valley Unified School District
Affiliated Organization Description:	*MacArther Park Charter School,* a California nonprofit public benefit corporation described under section 501(c)(3) of the Internal Revenue Code.
Par Amount Requested:	Not-to-Exceed $500,000
Applicant Category:	New Charter School
Loan Term:	Four Years
Projected Interest Rate:	3.00%
Estimated Annual CSRLF Payment:	$134,514

Staff recommends that the California School Finance Authority (Authority or CSFA) Board determine that MacArthur Park Charter is approved for a loan of $500,000 from the Charter School Revolving Loan Fund (Program or CSRLF). This determination, as it relates to MacArthur Park Charter, shall remain in effect for Fiscal Year 2026-27 and assumes no financial, operational, or legal material findings within this period. This recommendation is contingent upon MacArthur Park Charter electing to have its CSRLF payments intercepted at the state level, under Section 41365(f) of the Education Code. Staff recommends that the CSFA Board direct staff to notify the Applicant of the conditional loan approval, confirm the school meets all funding criteria and Program requirements before executing the loan agreement, and carry out all other necessary steps to disburse funds.

Eligibility and Financial Analysis: Below, staff highlighted key criteria evaluated when conducting the financial soundness review for MacArthur Park Charter. Detailed information is contained in the body of the report:

Criteria	Comments
Eligibility Criteria	MacArthur Park Charter has met all eligibility criteria: (1) MacArthur Park Charter commenced operations in August 2026; (2) MacArthur Park Charter's charter is in place through June 2031; (3) Sonoma Valley Unified School District has confirmed that as of July 2, 2026, MacArthur Park Charter is compliant with the terms of its Charter Agreement and has no pending or outstanding Notices of Violation or Intent to Revoke.
Demographic Information	On August 10, 2026, MacArthur Park Charter had a total confirmed enrollment of 199 students in grades TK through 5; the average daily attendance (ADA) rate is projected to be 95% in FY 2026-27, and the Unduplicated Pupil Percentage (UPP) of the district where the school is located is 57.75%.
Debt Service Coverage	MacArthur Park Charter's debt service coverage from adjusted net income on the proposed CSRLF loan is projected to average 230% over the four years that payments are intercepted.
Risk Profile	• The charter petition, multiyear financial projections, and enrollment projections are found to be reasonable based on area demographics, startup enrollment, waitlist, facility size, maximum permitted enrollment and MacArthur Park Charter's management. • First-year loan disbursements will be contingent upon the verification of ongoing student enrollment and ADA.

Legal Status Questionnaire: MacArthur Park Charter's response to the Authority's Legal Status Questionnaire stated the borrower and all related parties have no knowledge of any civil, criminal, or regulatory proceedings, investigations, or actions as described in the Legal Status Questionnaire that would require disclosure.

School Organizational Information: MacArthur Park Charter is directly funded and utilizes a STEAM-based interdisciplinary methodology. The school is not associated with a charter management organization and operates independently. The school has engaged the services of a back-office provider to support administration and financial management operations in the startup year.

Enrollment Trends and Projections: The table below presents enrollment and ADA information for MacArthur Park Charter. MacArthur Park Charter provided projections for fiscal years 2026-27 through 2030-31. The reported 2026-27 enrollment count is based on the actual enrolled students as of August 10, 2026. The school's enrollment projections were found to be reasonable based on the capacity of the former elementary school campus they occupy, public interest, waitlist and enrollment at the former school from which MacArthur Park Charter draws students, in addition to students from within the school district.

Enrollment Summary

Year	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Total	N/A	N/A	N/A	199	246	271	294	288
ADA%	N/A	N/A	N/A	95.0%	95.0%	95.0%	95.0%	95.0%

Financial Analysis

Debt Repayment Analysis Table

OPERATIONAL, FINANCIAL & STUDENT PERFORMANCE METRICS	Actual FY 2023	Actual FY 2024	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029	Projected FY 2030	Projected FY 2031
Enrollment	0	0	0	0	199	246	271	294	288
Average Daily Attendance (ADA)	0	0	0	0	189	234	257	279	274
ADA Rate (%)					95.0%	95.0%	95.0%	95.0%	95.0%
FTE Teacher Headcount	0	0	0	0	0	0	0	0	0
Student/Teacher Ratio									
TOTAL OPERATING REVENUES	$ -	$ -	$ -	$ -	$ 3,221,805	$ 3,708,661	$ 4,385,356	$ 4,909,980	$ 4,947,860
TOTAL OPERATING EXPENDITURES	$ -	$ -	$ -	$ -	$ 2,981,050	$ 3,586,578	$ 4,075,158	$ 4,491,475	$ 4,598,429
Adjusted Net Income	$ -	$ -	$ -	$ -	$ 246,355	$ 127,836	$ 316,107	$ 424,575	$ 355,684
Less RLF Loan Payments	-	-	-	-	-	134,514	134,514	134,514	134,514
Free Cash Flow	$ -	$ -	$ -	$ -	$ 246,355	$ (6,677)	$ 181,593	$ 290,061	$ 221,170
LCFF STATE AID SUBJECT TO INTERCEPT									
August through January	$ -	$ -	$ -	$ -	$ -	$ 24,246	$ 27,529	$ 30,759	$ 31,042
In Fiscal Year	$ -	$ -	$ -	$ -	$ -	$ 48,492	$ 55,058	$ 61,519	$ 62,085
DEBT SERVICE COVERAGE									
DSC from Adjusted Net Income						1.0	2.3	3.2	2.6
DSC from LCFF State Aid Subject to Intercept August through January						0.2	0.2	0.2	0.2
DSC from LCFF State Aid Subject to Intercept in Fiscal Year						0.4	0.4	0.5	0.5

Financial Summary:

- Free Cash Flow and/or per ADA – MacArthur Park Charter operates with positive cash flow; staff finds projections reasonable and within tolerance given the length of the period examined.
- Debt Service Coverage from Intercept – Estimated average projected debt service coverage is 20%.
- Debt Service Coverage from Adj. Net Income – Estimated average debt service coverage is 230%.
- Enrollment – Average ADA is reasonable based on projected values, local conditions' and assumptions.

Staff Recommendation: Staff recommends that the California School Finance Authority (CSFA) Board approve MacArthur Park Charter's request for a loan in the amount of $500,000 from the CSRLF. MacArthur Park Charter will repay the CSRLF loan no later than June 2031. This determination, as it relates to MacArthur Park Charter, shall remain in effect for Fiscal Year 2026-27 and assumes no financial, operational, or legal material findings within this period. This recommendation is contingent upon MacArthur Park Charter electing to have its CSRLF payments intercepted at the state-level, pursuant to EDC § 41365 (f)(1).

Staff's recommendation is based on the methodology outlined in the Item 11 Methodology Report. Once approved, staff will notify the Applicant of the conditional loan approval. Staff will confirm all funding criteria and Program requirements are met before executing a loan agreement and disbursing loan proceeds. Staff will carry out all other necessary steps to disburse funds.

Charter School Revolving Loan Fund
Fiscal Year 2026-27 Funding Round
Staff Summary Report – September 24, 2026
Item No. 11.8 – Resolution 26-29

Executive Summary

Applicant:	Sparrow Academy
School	Sparrow Academy
CDS (County – District – School) Code:	37-68197-0136408
School Address:	5150 Wilson Street, La Mesa, CA 91942
County:	San Diego
District in which School is Located:	La Mesa-Spring Valley School District
Charter Authorizer:	La Mesa-Spring Valley School District
Affiliated Organization Description:	Sparrow Academy, a California nonprofit public benefit corporation described under section 501(c)(3) of the Internal Revenue Code.
Par Amount Requested:	Not-to-Exceed $500,000
Applicant Category:	Existing Charter School
Loan Term:	Five Years
Projected Interest Rate:	3.00%
Estimated Annual CSRLF Payment:	$109,177

Staff recommends that the California School Finance Authority (Authority or CSFA) Board determine that Sparrow Academy is approved for a loan of $500,000 from the Charter School Revolving Loan Fund (Program or CSRLF). This determination, as it relates to Sparrow Academy, shall remain in effect for Fiscal Year 2026-27 and assumes no financial, operational, or legal material findings within this period. This recommendation is contingent upon Sparrow Academy electing to have its CSRLF payments intercepted at the state level, pursuant to Education Code Section 41365(f). Staff recommends that the CSFA Board direct staff to notify the Applicant of the conditional loan approval, confirm the school meets all funding criteria and Program requirements before executing the loan agreement, and carry out all other necessary steps to disburse funds.

Eligibility and Financial Analysis: Below, staff highlights key criteria evaluated when conducting the financial soundness review for Sparrow Academy. Detailed information is contained in the body of the report:

Criteria	Comments
Eligibility Criteria	Sparrow Academy has met all eligibility criteria: (1) Sparrow Academy commenced operations in 2017; (2) Sparrow Academy's charter is in place through June 2027; (3) CSFA has confirmed that as of July 17, 2026, Sparrow Academy is compliant with the terms of its Charter Agreement and has no pending or outstanding Notices of Violation or Intent to Revoke.
Demographic Information	In FY 2025-26, Sparrow Academy had a total enrollment of 174 students in grades K through 6; the average daily attendance (ADA) rate was 95.29%, and the Unduplicated Pupil Percentage (UPP) was 37.93%.
Debt Service Coverage	Sparrow Academy's debt service coverage from adjusted net income on the proposed CSRLF loan is projected to average 110% over the five years that payments are intercepted.
Risk Profile	• Sparrow Academy's historical financial and enrollment/ADA data demonstrate a capacity to establish ongoing financial stability necessary to meet its CSRLF debt service obligations. • Sparrow Academy's FY 2026-27 loan disbursements will be contingent upon the school's charter being renewed for not less than four years, and the school's lease being extended for not less than the term of CSRLF loan. Additional disbursements will be made on verification of actual student enrollment and ADA being compared favorably with projections.

Legal Status Questionnaire: Sparrow Academy's response to the Authority's Legal Status Questionnaire stated the borrower and all related parties have no knowledge of any civil, criminal, or regulatory proceedings, investigations, or actions as described in the Legal Status Questionnaire that would require disclosure.

School Organizational Information: Sparrow Academy has operated since 2018 and serves students in grades TK through 5 using the Waldorf curriculum model. As the only tuition-free Waldorf school in San Diego County, Sparrow Academy previously served students in grades 6 through 8 before relocating to a new campus in FY 2024-25. The school is completing facility improvements necessary to reintroduce grades 6 through 8 at its current site, pending approval to expand capacity by local authorities. Additionally, Sparrow Academy provides a nonclassroom-based study program.

Enrollment Trends and Projections: The table below presents enrollment and ADA for Sparrow Academy. Historical FY 2023-24 through FY 2025-26 information is drawn from the California Department of Education (CDE), and Sparrow Academy provided projections for fiscal years 2026-27 through 2031-32. The school's enrollment projections were found to be reasonable based on the facility occupied and historic enrollment. The school supported a larger enrollment prior to moving in late FY 2023-24 to a smaller site and eliminating 6th through 8th grades. The site now occupied supports a larger enrollment, and enrollment is projected to grow as the authority having jurisdiction issues conditional use permits for the site. The school projects that it will begin enrolling middle school students in the coming years when permitted to do so. No middle school students are included in the enrollment projections due to the capacity expansion timeline being uncertain.

Enrollment Summary

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32
Total	348	156	174	177	212	212	212	212	212
ADA%	91.80%	92.82%*	95.29%	93.38%	94.0%	94.0%	94.0%	94.0%	94.0%

*Due to fluctuations in enrollment in FY 2025, P2 ADA is greater than 100%. P1 data was used instead.

Financial Analysis

Debt Repayment Analysis Table

OPERATIONAL, FINANCIAL & STUDENT PERFORMANCE METRICS	Projected FY 2023	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029	Projected FY 2030	Projected FY 2031	Projected FY 2032
Enrollment	390	348	156	174	196	212	212	212	212	212
Average Daily Attendance (ADA)	365	319	145	166	184	199	199	199	199	199
ADA Rate (%)	93.7%	91.8%	92.8%	95.3%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%
FTE Teacher Headcount	17	14	12	8	7	9	10	10	10	0
Student/Teacher Ratio	22.7	25.8	13.0	21.8	28.0	23.6	21.2	21.2	21.2	
TOTAL OPERATING REVENUES	$ 5,596,351	$ 4,744,610	$ 2,946,203	$ 3,196,191	$ 3,243,498	$ 3,405,607	$ 3,515,212	$ 3,622,196	$ 3,723,431	$ 3,827,585
TOTAL OPERATING EXPENDITURES	$ 5,372,702	$ 5,557,481	$ 2,748,392	$ 2,920,804	$ 3,217,764	$ 3,341,103	$ 3,393,057	$ 3,466,771	$ 3,598,331	$ 3,717,634
Adjusted Net Income	$ 232,396	$ (803,176)	$ 199,771	$ 277,347	$ 27,694	$ 65,215	$ 122,867	$ 156,137	$ 125,812	$ 110,663
Less RLF Loan Payments	-	-	-	-	-	109,177	109,177	109,177	109,177	109,177
Free Cash Flow	$ 232,396	$ (803,176)	$ 199,771	$ 277,347	$ 27,694	$ (43,962)	$ 13,690	$ 46,960	$ 16,635	$ 1,486
LCFF STATE AID SUBJECT TO INTERCEPT										
August through January	$ -	$ -	$ -	$ -	$ -	$ 765,461	$ 791,006	$ 815,842	$ 840,357	$ 865,580
In Fiscal Year	$ -	$ -	$ -	$ -	$ -	$ 1,530,921	$ 1,582,012	$ 1,631,685	$ 1,680,714	$ 1,731,160
DEBT SERVICE COVERAGE										
DSC from Adjusted Net Income						0.6	1.1	1.4	1.2	1.0
DSC from LCFF State Aid Subject to Intercept August through January						7.0	7.2	7.5	7.7	7.9
DSC from LCFF State Aid Subject to Intercept in Fiscal Year						14.0	14.5	14.9	15.4	15.9

Financial Summary:

- Free Cash Flow and/or per ADA – Sparrow Academy is shifting to a consistently positive cash flow; staff finds projections reasonable and within tolerance given the length of the period examined and actions taken by the school to develop enrollment.
- Debt Service Coverage from Intercept – Estimated average projected debt service coverage for a five-year term is 670%.
- Debt Service Coverage from Adj. Net Income – Estimated average debt service coverage is 110% and strong reserves provide an additional cushion.
- Enrollment – Average ADA is reasonable based on historic and projected values.

Staff Recommendation: Staff recommends that the California School Finance Authority (CSFA) Board approve Sparrow Academy's request for a loan in the amount of $500,000 from the CSRLF. Sparrow Academy will repay the CSRLF loan no later than June 2032. This determination, as it relates to Sparrow Academy, shall remain in effect for Fiscal Year 2026-27 and assumes no financial, operational, or legal material findings within this period. This recommendation is contingent upon Sparrow Academy electing to have its CSRLF payments intercepted at the state level, pursuant to Education Code section 41365 (f)(1).

Staff's recommendation is based on the methodology outlined in the Item 11 memo. Once approved, staff will notify the Applicant of the conditional loan approval. Staff will confirm all funding criteria and Program requirements are met before executing a loan agreement and disbursing loan proceeds. Staff will carry out all other necessary steps to disburse funds.

Charter School Revolving Loan Fund
Fiscal Year 2026-27 Funding Round
Staff Summary – September 24, 2026
Item No. 11.9 – Resolution 26-29

Executive Summary

Applicant:	Springs Charter Schools Northern California, Inc.
School:	Liberty Springs Charter
CDS (County – District – School) Code:	51-71365-0168088
School Address:	27740 Jefferson Ave. Temecula, CA 92590
County:	Sutter
District in which School is Located:	Browns Elementary
Charter Authorizer:	Browns Elementary
Affiliated Organization Description:	Springs Charter Schools Northern California, Inc., a California nonprofit public benefit corporation described under section 501(c)(3) of the Internal Revenue Code.
Par Amount Requested:	Not-to-Exceed $500,000.00
Applicant Category:	New School
Loan Term:	4 Years
Projected Interest Rate:	3.00%
Estimated Annual CSRLF Payment:	$134,514

Staff recommends that the California School Finance Authority (Authority or CSFA) Board determine that Liberty Springs Charter (LSC) is approved for a loan of $500,000 from the Charter School Revolving Loan Fund (Program or CSRLF). This determination, as it relates to LSC, shall remain in effect for Fiscal Year 2026-27 and assumes no financial, operational, or legal material findings within this period. This recommendation is contingent upon LSC electing to have its CSRLF payments intercepted at the state level, pursuant to Education Code section 41365(f). Staff recommends that the CSFA Board direct staff to notify LSC of the conditional loan approval, confirm the school meets all funding criteria and Program requirements before executing the loan agreement, and carry out all other necessary steps to disburse funds.

Eligibility and Financial Analysis: Below, staff highlights key criteria evaluated when conducting the financial soundness review for LSC. Detailed information is contained in the body of the report:

Criteria	Comments
Eligibility Criteria	LSC has met all eligibility criteria: (1) LSC commenced operations in 2026; (2) LSC's charter is in place through June 2031; (3) Brown Elementary has confirmed that as of September 9, 2026, LSC is compliant with the terms of its Charter Agreement and has no pending or outstanding Notices of Violation or Intent to Revoke.
Demographic Information	In FY 2026-27, LSC has a total projected enrollment of 550 students in grades K through 12; the average daily attendance (ADA) rate is projected at 95%, and the Unduplicated Pupil Percentage (UPP) is projected at 62.90%.
Debt Service Coverage	LSC's debt service coverage for adjusted net income on the proposed CSRLF loan is projected to average 1,810% over the 4 years.
Risk Profile	• The charter petition, multiyear financial projections, and enrollment projections are found to be reasonable based on area demographics, CMO management experience and operating history, and LSC's management. • First-year loan disbursements will be contingent upon the verification of actual student enrollment, ADA, and CMO repayment guarantee.

Legal Status Questionnaire: LSC's response to the Authority's Legal Status Questionnaire stated the borrower, charter school management organization, and all related parties have no knowledge of any civil, criminal, or regulatory proceedings, investigations, or actions as described in the Legal Status Questionnaire that would require disclosure.

Additional Repayment Support: As a condition of staff's recommendation, Springs Charter Schools, Inc. has provided written certification agreeing to serve as an additional source of repayment in the event Springs Charter Schools Northern California, Inc. is unable to meet its obligations under the CSRLF loan. Staff requested this additional commitment due to the limited operating history of LSC and the uncertainty inherent in the school's initial enrollment ramp and related financial projections. The commitment provides the Authority with additional financial recourse beyond the State level intercept mechanism and is intended to further protect the State's interest during the loan term.

School Organizational Information: LSC operates as a public charter school under Springs Charter Schools Northern California, Inc. (SCSNC, Inc.), replicating an established educational network model overseen by a centralized leadership group led by Superintendent Dr. Kathleen Hermsmeyer. Structurally, governance is managed through a collaborative framework involving regional governing boards and district authorizers, with the school functioning as its own local educational agency (LEA) for special education within the El Dorado SELPA. The school launched in the FY 2026-27 school year alongside its sister school, Shasta Springs Charter. Together, they form the Northern California network of Springs Charter Schools, serving a total of 14 counties. LSC covers the valley and foothills region consisting of Sutter, Butte, Yuba, Placer, Sacramento, Yolo, and Colusa counties.

<u>Enrollment Trends and Projections</u>: The table below presents enrollment and ADA for LSC. LSC provided projections for fiscal years FY 2026-27 through FY 2031-32. Liberty Springs projects 550 students in FY 2026-27, increasing to 1,005 students in FY 2027-28, with continued moderate growth thereafter. As of September 2026, LSC met approximately 20% of its FY 2026-27 enrollment goal and the school indicates that enrollment is continuing to grow during this initial year of operations.

LSC supports its projected growth primarily through the experience of comparable Connections Academy programs operated by Springs Charter Schools in Southern California, which the CMO states are substantially similar to the program offered by LSC. Across those programs, enrollment increased from 500 students in FY 2024-25 to 1,168 students in FY 2025-26, representing approximately 134% growth, with the CMO attributing the increase to a full year of marketing, greater program awareness, and positive word-of-mouth. Based on the CMO's experience operating comparable virtual programs, its existing application pipeline, and a demonstrated ability to scale enrollment following an initial startup period, staff considers the enrollment assumptions to have a reasonable basis, while recognizing that actual enrollment remains in the early stages of development.

Projected Enrollment Summary

Year	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32
Total	550	1,005	1,330	1,595	1,800	1,950
ADA%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%

<u>Financial Analysis</u>

<u>Debt Repayment Analysis Table</u>

OPERATIONAL, FINANCIAL & STUDENT PERFORMANCE METRICS	Actual FY 2023	Actual FY 2024	Actual FY 2025	Actual FY 2026	Actual FY 2027	Projected FY 2028	Projected FY 2029	Projected FY 2030	Projected FY 2031	Projected FY 2032
Enrollment	0	0	0	0	550	1,005	1,330	1,595	1,800	1,950
Average Daily Attendance (ADA)	0	0	0	0	523	955	1,264	1,515	1,710	1,853
ADA Rate (%)					95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
FTE Teacher Headcount	0	0	0	0	44	81	106	122	136	0
Student/Teacher Ratio					12.6	12.5	12.6	13.1	13.3	
TOTAL OPERATING REVENUES	$ -	$ -	$ -	$ -	$ 7,806,494	$ 14,948,597	$ 20,648,697	$ 25,554,222	$ 29,716,007	$ 36,330,529
TOTAL OPERATING EXPENDITURES	$ -	$ -	$ -	$ -	$ 7,500,739	$ 14,064,329	$ 18,896,110	$ 22,485,094	$ 25,667,759	$ 28,128,370
Adjusted Net Income	$ -	$ -	$ -	$ -	$ 305,755	$ 884,268	$ 1,752,587	$ 3,069,128	$ 4,048,248	$ 8,202,159
Less RLF Loan Payments	-	-	-	-	-	134,514	134,514	134,514	134,514	-
Free Cash Flow	$ -	$ -	$ -	$ -	$ 305,755	$ 749,754	$ 1,618,074	$ 2,934,615	$ 3,913,735	$ 8,202,159
LCFF STATE AID SUBJECT TO INTERCEPT										
August through January	$ -	$ -	$ -	$ -	$ -	$ 4,676,712	$ 6,446,131	$ 7,972,378	$ 9,267,529	$ -
In Fiscal Year	$ -	$ -	$ -	$ -	$ -	$ 9,353,423	$ 12,892,261	$ 15,944,757	$ 18,535,057	$ -
DEBT SERVICE COVERAGE										
DSC from Adjusted Net Income						6.6	13.0	22.8	30.1	
DSC from LCFF State Aid Subject to Intercept August through January						34.8	47.9	59.3	68.9	
DSC from LCFF State Aid Subject to Intercept in Fiscal Year						69.5	95.8	118.5	137.8	

<u>Financial Summary:</u>

- Free Cash Flow and/or per ADA – LSC is projecting positive cash flow over the period examined. Staff finds these assumptions reasonable.
- Debt Service Coverage from Adj. Net Income – Estimated average debt service coverage is 1,810% against a threshold of 110%.
- Enrollment – Average ADA is considered reasonable based on assumptions provided by LSC.

Staff Recommendation: Staff recommends that the California School Finance Authority (Authority or CSFA) Board determine that Liberty Springs Charter (LSC) is approved for a loan of $500,000 from the Charter School Revolving Loan Fund (Program or CSRLF). This determination, as it relates to LSC, shall remain in effect for Fiscal Year 2026-27 and assumes no financial, operational, or legal material findings within this period. This recommendation is contingent upon LSC electing to have its CSRLF payments intercepted at the state level, pursuant to Education Code section 41365(f).

Staff's recommendation is based on the methodology outlined in the Item 11 Methodology Report. Once approved, staff will notify the Applicant of the conditional loan approval. Staff will confirm all funding criteria and Program requirements are met before executing a loan agreement and disbursing loan proceeds. Staff will carry out all other necessary steps to disburse funds.

Charter School Revolving Loan Fund
Fiscal Year 2026-27 Funding Round
September 24, 2026
Item No. 11.10 – Resolution 26-29

Executive Summary

Applicant:	Springs Charter Schools Northern California, Inc.
School:	Shasta Springs Charter
CDS (County – District – School) Code:	45-70052-0168096
School Address:	27740 Jefferson Ave. Temecula, CA 92590
County:	Shasta
District in which School is Located:	Millville Elementary
Charter Authorizer:	Millville Elementary
Affiliated Organization Description:	Springs Charter Schools Northern California, Inc., a California nonprofit public benefit corporation described under section 501(c)(3) of the Internal Revenue Code.
Par Amount Requested:	Not-to-Exceed $500,000.00
Applicant Category:	New Charter School
Loan Term:	4 Years
Projected Interest Rate:	3.00%
Estimated Annual CSRLF Payment:	$134,514.00

Staff recommends that the California School Finance Authority (Authority or CSFA) Board determine that Shasta Springs Charter (SSC) is approved for a loan of $500,000.00 from the Charter School Revolving Loan Fund (Program or CSRLF). This determination, as it relates to SSC, shall remain in effect for Fiscal Year 2026-27 and assumes no financial, operational, or legal material findings within this period. This recommendation is contingent upon SSC electing to have its CSRLF payments intercepted at the state level, pursuant to Education Code section 41365(f). Staff recommends that the CSFA Board direct staff to notify SSC of the conditional loan approval, confirm the school meets all funding criteria and Program requirements before executing the loan agreement, and carry out all other necessary steps to disburse funds.

Eligibility and Financial Analysis: Below, staff highlights key criteria evaluated when conducting the financial soundness review for SSC. Detailed information is contained in the body of the report:

Criteria	Comments
Eligibility Criteria	SSC has met all eligibility criteria: (1) SSC commenced operations in 2026; (2) SSC's charter is in place through June 2031; (3) Millville Elementary has confirmed that as of June 2026, SSC is compliant with the terms of its Charter Agreement and has no pending or outstanding Notices of Violation or Intent to Revoke.
Demographic Information	In FY 2026-27, SSC projects a total enrollment of 150 students in grades K through 12; the average daily attendance (ADA) rate is projected at 95.00%, and the Unduplicated Pupil Percentage (UPP) is projected at 59.60%.
Debt Service Coverage	SSC's debt service coverage from adjusted net income on the proposed CSRLF loan is projected to average 450% over the four years that payments are intercepted.
Risk Profile	• The charter petition, multiyear financial projections, and enrollment projections are found to be reasonable based on area demographics, • CMO management experience/operating history, and SSC's management. • First-year loan disbursements will be contingent upon the verification of actual student enrollment, ADA, and CMO repayment guarantee.

Legal Status Questionnaire: SSC's response to the Authority's Legal Status Questionnaire stated the borrower, charter school management organization, and all related parties have no knowledge of any civil, criminal, or regulatory proceedings, investigations, or actions as described in the Legal Status Questionnaire that would require disclosure.

Additional Repayment Support: As a condition of staff's recommendation, Springs Charter Schools, Inc. has provided written certification agreeing to serve as an additional source of repayment in the event Springs Charter Schools Northern California, Inc. is unable to meet its obligations under the CSRLF loan. Staff requested this additional commitment due to the limited operating history of SSC and the uncertainty inherent in the school's initial enrollment ramp and related financial projections. The commitment provides the Authority with additional financial recourse beyond the state-level intercept mechanism and is intended to further protect the State's interest during the loan term.

School Organizational Information: SSC operates as a public charter school under Springs Charter Schools Northern California, Inc. (SCSNC, Inc.), replicating an established educational network model overseen by a centralized leadership group led by Superintendent Dr. Kathleen Hermsmeyer. Structurally, governance is managed through a collaborative framework involving regional governing boards and district authorizers, with the school functioning as its own local educational agency (LEA) for special education within the El Dorado SELPA. The school opened in the FY 2026-27 school year alongside its sister school, Liberty Springs Charter. Together, they form the Northern California network of Springs Charter Schools, serving a total of 14 counties. SSC covers the far northern region, consisting of Shasta, Siskiyou, Modoc, Lassen, Plumas, Tehama, and Trinity counties.

<u>Enrollment Trends and Projections</u>: The table below presents enrollment and ADA for SSC. SSC provided projections for fiscal years FY 2026-27 through FY 2031-32. Shasta Springs projects 150 in FY 2026-27, increasing to 280 students in FY 2027-28, with continued moderate growth thereafter. As of September, 2026, SSC has met approximately 20% of its FY 2026-27 enrollment goal and the school indicates that enrollment is continuing to grow during this initial year of operations.

SSC supports its projected growth primarily through the experience of comparable Connections Academy programs operated by Springs Charter Schools in Southern California, which the CMO states are substantially similar to the program offered by SSC. Across those programs, enrollment increased from 500 students in FY 2024-25 to 1,168 students in FY 2025-26, representing approximately 134% growth, with the CMO attributing the increase to a full year of marketing, greater program awareness, and positive word-of-mouth. Based on the CMO's experience operating comparable virtual programs, its existing application pipeline, and demonstrated enrollment growth within comparable Springs programs, staff considers the enrollment assumptions to have a reasonable basis for projection purposes, while recognizing that actual enrollment remains in the early stages of development.

Projected Enrollment Summary

Year	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32
Total	150	280	370	440	490	525
ADA%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%

Financial Analysis

Debt Repayment Analysis Table

OPERATIONAL, FINANCIAL & STUDENT PERFORMANCE METRICS	Actual FY 2023	Actual FY 2024	Actual FY 2025	Actual FY 2026	Actual FY 2027	Projected FY 2028	Projected FY 2029	Projected FY 2030	Projected FY 2031	Projected FY 2032
Enrollment	0	0	0	0	150	280	370	440	490	525
Average Daily Attendance (ADA)	0	0	0	0	143	266	352	418	466	499
ADA Rate (%)					95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
FTE Teacher Headcount	0	0	0	0	0	0	0	0	0	0
Student/Teacher Ratio										
TOTAL OPERATING REVENUES	$ -	$ -	$ -	$ -	$ 2,162,290	$ 4,157,052	$ 5,733,730	$ 7,037,363	$ 8,072,260	$ 9,762,517
TOTAL OPERATING EXPENDITURES	$ -	$ -	$ -	$ -	$ 2,068,095	$ 3,955,963	$ 5,305,550	$ 6,259,551	$ 7,051,273	$ 7,642,305
Adjusted Net Income	$ -	$ -	$ -	$ -	$ 94,195	$ 201,089	$ 428,180	$ 777,812	$ 1,020,987	$ 2,120,212
Less RLF Loan Payments	-	-	-	-	-	134,514	134,514	134,514	134,514	-
Free Cash Flow	$ -	$ -	$ -	$ -	$ 94,195	$ 66,575	$ 293,667	$ 643,298	$ 886,474	$ 2,120,212
LCFF STATE AID SUBJECT TO INTERCEPT										
August through January	$ -	$ -	$ -	$ -	$ -	$ 1,204,521	$ 1,658,495	$ 2,034,466	$ 2,332,107	$ -
In Fiscal Year	$ -	$ -	$ -	$ -	$ -	$ 2,409,043	$ 3,316,990	$ 4,068,931	$ 4,664,214	$ -
DEBT SERVICE COVERAGE										
DSC from Adjusted Net Income						1.5	3.2	5.8	7.6	
DSC from LCFF State Aid Subject to Intercept August through January						9.0	12.3	15.1	17.3	
DSC from LCFF State Aid Subject to Intercept in Fiscal Year						17.9	24.7	30.2	34.7	

Financial Summary:

- Free Cash Flow and/or per ADA – SSC operates with positive cash flow; staff finds projections reasonable and within tolerance given the length of the period examined.
- Debt Service Coverage from Adj. Net Income – Estimated average debt service coverage is 450%.
- Enrollment – Average ADA is reasonable based on projected values.

Staff Recommendation: Staff recommends that the California School Finance Authority (Authority or CSFA) Board determine that Shasta Springs Charter (SSC) is approved for a loan of $500,000.00 from the Charter School Revolving Loan Fund (Program or CSRLF). This determination, as it relates to SSC, shall remain in effect for Fiscal Year 2026-27 and assumes no financial, operational, or legal material findings within this period. This recommendation is contingent upon SSC electing to have its CSRLF payments intercepted at the state level, pursuant to Education Code section 41365(f). Staff recommends that the CSFA Board direct staff to notify SSC of the conditional loan approval, confirm the school meets all funding criteria and Program requirements before executing the loan agreement, and carry out all other necessary steps to disburse funds.

Staff's recommendation is based on the methodology outlined in the Item 11 Methodology Report. Once approved, staff will notify the Applicant of the conditional loan approval. Staff will confirm all funding criteria are compliant with Program regulations before executing a loan agreement and dispersing loan proceeds. Staff will carry out all other necessary steps to disburse funds.