

REGULAR

(See instructions on reverse)

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 of the State of California

DEC 01 2016
 1:40 P.M.

STD. 400 (REV. 01-2013)

OAL FILE NUMBERS	NOTICE FILE NUMBER Z-2016-0816-10	REGULATORY ACTION NUMBER 2016-1017-015	EMERGENCY NUMBER
For use by Office of Administrative Law (OAL) only			
NOTICE		REGULATIONS	
AGENCY WITH RULEMAKING AUTHORITY California School Finance Authority			AGENCY FILE NUMBER (If any)

2016 OCT 17 P 3:28
OFFICE OF ADMINISTRATIVE LAW

A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. SUBJECT OF NOTICE	TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed Regulatory Action <input type="checkbox"/> Other	4. AGENCY CONTACT PERSON	TELEPHONE NUMBER	FAX NUMBER (Optional)
OAL USE ONLY <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn	ACTION ON PROPOSED NOTICE	NOTICE REGISTER NUMBER 2016, 35-2	PUBLICATION DATE 8/26/2016

B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1a. SUBJECT OF REGULATION(S) Charter School Revolving Loan Fund	1b. ALL PREVIOUS RELATED OAL REGULATORY ACTION NUMBER(S) 2015-0129-01-CR		
2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics related)			
SECTION(S) AFFECTED (List all section number(s) individually. Attach additional sheet if needed.)	ADOPT 10170.16, 10170.17, 10170.18, 10170.19, 10170.20, 10170.21, 10170.22, 10170.23		
	AMEND 10170.16, 10170.17, 10170.18, 10170.19, 10170.20, 10170.21, 10170.22, 10170.23		
TITLE(S) 4	REPEAL		
3. TYPE OF FILING			
<input checked="" type="checkbox"/> Regular Rulemaking (Gov. Code § 11346) <input type="checkbox"/> Resubmittal of disapproved or withdrawn nonemergency filing (Gov. Code §§ 11349.3, 11349.4) <input type="checkbox"/> Emergency (Gov. Code, § 11346.1(b)) <input type="checkbox"/> Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Gov. Code §§ 11346.2-11347.3 either before the emergency regulation was adopted or within the time period required by statute. <input type="checkbox"/> Resubmittal of disapproved or withdrawn emergency filing (Gov. Code, § 11346.1) <input type="checkbox"/> Emergency Readopt (Gov. Code, § 11346.1(h)) <input type="checkbox"/> File & Print <input type="checkbox"/> Other (Specify) _____ <input type="checkbox"/> Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100) <input type="checkbox"/> Print Only			
4. ALL BEGINNING AND ENDING DATES OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, § 44 and Gov. Code § 11347.1)			
5. EFFECTIVE DATE OF CHANGES (Gov. Code, §§ 11343.4, 11346.1(d); Cal. Code Regs., title 1, § 100)			
<input type="checkbox"/> Effective January 1, April 1, July 1, or October 1 (Gov. Code § 11343.4(a)) <input checked="" type="checkbox"/> Effective on filing with Secretary of State <input type="checkbox"/> § 100 Changes Without Regulatory Effect <input type="checkbox"/> Effective other (Specify) _____			
6. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY			
<input type="checkbox"/> Department of Finance (Form STD. 399) (SAM § 6660) <input type="checkbox"/> Fair Political Practices Commission <input type="checkbox"/> State Fire Marshal <input type="checkbox"/> Other (Specify) _____			
7. CONTACT PERSON Katrina Johantgen	TELEPHONE NUMBER (213) 620-4467	FAX NUMBER (Optional)	E-MAIL ADDRESS (Optional) katrina.johantgen@treasurer.ca.gov

per agency request 8/1/16

8. I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE <i>[Signature]</i>	DATE 10/13/16
TYPED NAME AND TITLE OF SIGNATORY Katrina Johantgen, Executive Director	

For use by Office of Administrative Law (OAL) only

ENDORSED APPROVED

DEC 01 2016

Office of Administrative Law

TEXT OF REGULATIONS

CALIFORNIA CODE OF REGULATIONS Title 4, Division 15, Article 1.6 Charter School Revolving Loan Fund Program

Section 10170.16. Purpose.

This Article implements the California School Finance Authority's administration of the Charter School Revolving Loan Fund Program (Education Code section 41365) which provides loans for eCharter sSchools.

Note: Authority cited: Section 41365, Education Code.

Reference: Sections 41365 and 41366.5, Education Code.

Section 10170.17. Definitions.

For the purposes of this article, the following words and phrases shall have the meaning as described below:

- (a) "Affiliated Organization" shall mean a legal entity that assumes financial, legal, and operational responsibility for a Charter School(s), including but not limited to, a school district, parent company and charter management organization.
- (a)(b) "Applicant" shall mean the Charter School or Chartering Authority applying on behalf of a Charter School for a loan under this article.
- (b)(c) "Application" shall mean a completed Charter School Revolving Loan Fund Program Application (CSFA 44RLF-01; dated revised July August 24 10, 2014 2016), incorporated herein by reference, as defined and developed by the Authority, and all other documents required to be submitted to the Authority.
- (e)(d) "Authority" shall mean the California School Finance Authority.
- (d)(e) "CDS Code" shall mean the County-District-School identifier assigned to all California eCharter sSchools.
- (e)(f) "Charter School" shall mean a school established and operating pursuant to the Charter Schools Act of 1992 (Education Code Section 47600, et seq.)
- (f)(g) "Charter School Revolving Loan Fund" shall mean the designated fund within the State Treasury established pursuant to Education Code section 41365 for the purpose of disbursing Program loans to Charter Schools.
- (g)(h) "Chartering Authority" shall mean the school district, county board of education, or State Board of Education that approved a Charter School's petition to become a Charter School pursuant to Education Code section 47605.
- (i) "Free or Reduced-Price Meal" or "FRPM" shall mean the percentage of enrolled students in grades Kindergarten through 12th grade or students ages 5 through 17, whichever is greater, eligible for Free or Reduced-Price Meals, as reported by the California Department of Education and certified through the annual Fall 1 data

submission to the California Longitudinal Pupil Achievement Data System for the same fiscal year within which the Applicant applies.

- (h)(i) "Incorporated Charter School" shall mean a Charter School operated by a corporate entity, such as a non-profit corporation, limited liability corporation, or partnership.
- (i)(k) "Loan Recipient" shall mean the Charter School or Chartering Authority that has applied on behalf of a Charter School for which the Authority has approved and issued a loan through the Program.
- (l) "New Charter School" shall mean a Charter School planning to begin operations in the fiscal year following the fiscal year in which an Application has been submitted.
- (j)(m) "Pooled Money Investment Account" shall mean the designated account within the State that is managed by the State Treasurer's Office and governed by the Pooled Money Investment Board to invest taxpayers' money and manage the State's cash flow. The yield on the Account is used to set the interest rate on an approved loan at the time that the loan proceeds are disbursed to Charter Schools.
- (~~k~~)(n) "Program" shall mean the Charter School Revolving Loan Fund Program.
- (~~l~~)(o) "Region One" shall consist of the following counties: Alpine, Amador, Butte, Colusa, Contra Costa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Marin, Mendocino, Modoc, Napa, Nevada, Placer, Plumas, Sacramento, San Joaquin, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Yolo, and Yuba.
- (~~m~~)(p) "Region Two" shall consist of the following counties: Alameda, Calaveras, Fresno, Inyo, Kern, Kings, Madera, Mariposa, Merced, Mono, Monterey, San Benito, San Francisco, San Mateo, Santa Clara, Santa Cruz, Stanislaus, Tulare, and Tuolumne.
- (n)(q) "Region Three" shall consist of the following counties: Los Angeles, San Bernardino, San Luis Obispo, Santa Barbara, and Ventura.
- (~~e~~)(r) "Region Four" shall consist of the following counties: Imperial, Orange, Riverside, and San Diego.

Note: Authority cited: Section 41365, Education Code.

Reference: Sections 41365 and 41366.5, Education Code.

Section 10170.18. Eligible Applicant.

An Applicant shall be eligible to apply for a loan if the following conditions are met:

- (a) The Application is submitted by a Charter School or by a Chartering Authority.
- (b) The Charter School is established pursuant to Education Code section 47600 et seq.
- (c) An approved charter has been awarded, is in place, and is current at the time of Application, ~~or~~ In the case of a first year Charter School, the Applicant shall submit evidence that its a charter petition has been submitted for approval to the to

~~a Chartering Authority for approval and that evidence, such as a copy of the charter petition, is submitted that the school it anticipates beginning operations in the following fiscal year for which an Application is submitted.~~

- (d) If the Applicant is a Charter School applying on its own behalf, the Charter School shall be an Incorporated Charter School as demonstrated by Articles of Incorporation.
- (e) The Charter School is not a conversion from an existing public school.
- (f) The Charter School has not had its charter renewed as of the date of submission of its Application.
- (g) The Charter School has no material legal issues.
- (h) A Charter School may receive multiple loans. In no instance may a Charter School receive more than \$250,000 in Program loans over the lifetime of the Charter School.
- ~~(h)(i)~~ The Charter School and/or Affiliated Organization, if applicable, is are in compliance with all other programs administered by the Authority.
- ~~(h)(j)~~ The Charter School is in good standing with its chartering authorizer and in compliance with the terms of its charter.
- ~~(h)(k)~~ The Authority shall determine whether the Application is complete. If the Authority determines that additional information is needed, the Authority shall notify the Applicant and request such information. If the Applicant fails to provide the information as requested, the Applicant shall be ineligible for a Program loan.

Note: Authority cited: Section 41365, Education Code.

Reference: Sections 41365 and 41366.5, Education Code.

Section 10170.19. Application Content and Submission.

~~Completed Applications and all attachments shall be submitted in duplicate to the Authority and shall include all of the following items:~~

- (a) The Application (CSFA 14RLF-01; dated revised July August 24 10, 2014 2016) will be made available on the Authority's website no later than December of each year. The Application shall include identifying information and other information required by the Authority, including information regarding the Applicant, loan amount requested, copy of the Articles of Incorporation, and the Charter School's legal status.
- (b) One printed Application (CSFA RLF-01; revised August 10, 2016) with original signatures and one CD-ROM or flash drive with a copy of the completed and signed Application along with the additional required documents as set forth in the Application must be received by the Authority, during regular business hours prior to the final filing date and time. Applications shall be delivered to the Authority by mail or hand-delivery. The Authority will not accept emailed or faxed Applications. Applications received after the final filing date and time will not be accepted for

review. Upon the development of an online Application system, an Applicant may submit an Application and all supporting documents via the online Application system.

(c) Each completed Application shall include the following documents (in addition to supporting documents required for the Application, CSFA RLF-01; revised August 10, 2016):

(1) Articles of Incorporation for an incorporated charter or operational agreement or Memorandum of Understanding between the Charter School and the Chartering Authority for a dependent charter;

~~(b)~~ (2) Description of how an award of loan funds will be used;

~~(e)~~ (3) Copy of current charter agreement petition and verification evidence supporting charter approval and term; of the expiration date.

~~(d)~~ Supporting Charter School financial information, including:

~~(1)~~(4) Audited financial statements, if available;

~~(2)~~(5) An adopted budget, if available, for the first fiscal year for which the Applicant is applying;

~~(3)~~(6) Multi-year budget projections for at least the four five fiscal years beyond the first fiscal year for which the Applicant is applying, including written budget assumptions;

~~(4)~~(7) Most recent business plan and/or strategic plan for at least the next four five academic years;

~~(5)~~(8) List of the eCharter sSchool's board of directors including their occupations, cities of residence, and terms of office;

~~(6)~~(9) Resumes of key staff members (e.g., Chief Executive Officer, President, Operations Manager, Chief Financial Officer, Principal, etc.) of the eCharter sSchool;

~~(7)~~ Operational agreement or memorandum of understanding between the charter school and the chartering authority, if applicable;

~~(8)~~(10) Historical, current, and projected enrollment and attendance, by grade level, for the next five years;

~~(9)~~(11) Targeted student population and demographics student year-to-year retention rates for all years of operation of the charter school;

~~(10)~~(12) A listing of historical, current, and anticipated future funding through private contributions;

~~(11)~~(13) List the total amounts, annual amounts, interest rates, and maturity dates of all existing and anticipated short- and long-term debt obligations of the aApplicant or eCharter sSchool; and

~~(12)~~(14) List and copy of all material contracts, including, but not limited to, management, support services, transportation contracts, and any such anticipated contracts involving use of space or equipment to be financed with Program funds.

~~(e)~~ Applications for loan funds will be available as described below.

- ~~(1) For the 2013-14 school year, Applications will be accepted until 5:00 p.m. on February 24, 2014.~~
 - ~~(2) For subsequent funding rounds, beginning with the 2014-15 school year, information regarding the Application will be made available on the Authority's website no later than December of each year.~~
 - ~~(3) One printed Application with original signatures (and one duplicate Application) must be received by the Authority, during regular business hours prior to the final filing date and time. Applications shall be delivered to the Authority by mail or hand-delivery. The Authority will not accept emailed or faxed Applications. Applications received after the final filing date and time will not be accepted for review.~~
 - ~~(4) A Charter School may receive multiple loans. In no instance may a Charter School receive more than \$250,000 in Program loans over the lifetime of the Charter School.~~
- (5)(d) An Affiliated Organizations operating more than one Charter School, as identified by separate CDS eCodes, must submit a separate Application for each Charter School with a separate CDS eCode for which a loan award is sought.

Note: Authority cited: Section 41365, Education Code.

Reference: Sections 41365 and 41366.5, Education Code

Section 10170.20. Application Review and Evaluation/Underwriting Criteria

- (a) The Authority will evaluate and determine Program loans based on the following:
 - (1) The Applicant meets all Eligibility Criteria under Section 10170.18;
 - (2) The Applicants demonstrates the ability to repay the loan; and
 - (3) The Applicant demonstrates that use of loan funds will be strictly for supporting the operations and financing of the Charter School consistent with the intent of the charter pursuant to Education Code Section 47605.
- (b) In addition, the Authority may consider the following criteria as it relates to the Application:
 - (1) Soundness of the Charter School's business plan, and the expertise of key management at the Charter School;
 - (2) Availability to the Charter School of other sources of funds;
 - (3) Impact of receipt of Program funds received on the Charter School's receipt of other private and public financing;
 - (4) Compliance with other pPrograms under the Authority, if the eCharter sSchool or its affiliate received an award under another pProgram;
 - (5) Good standing in repayment of a prior Program loan, if the eCharter sSchool or its affiliate received a previous Program loan; and
 - (6) In the Authority's evaluation of supporting financial information submitted pursuant to Section 10170.19(d), the Authority shall consider the

reasonableness of projected financial performance and corresponding assumptions based on current and historical performance and ~~e~~Charter ~~s~~School's business and/or strategic plans. The Authority may consider current and historical performance, including cash flow, major revenues, degree of reliance on loans and fundraising, enrollment trends, student performance data, projected average daily attendance, expenses, and debt service coverage, if applicable.

- (c) Priority shall be given to ~~n~~New Charter Schools for start-up costs. If additional funds are available after New Charter Schools have been deemed eligible, consideration for a Program loan will be given to existing Charter Schools that have not had their charter's renewed. ~~that are fairly representative of Region One, Region Two, Region Three and Region Four of the State.~~
- (d) If there are insufficient funds available during an Application cycle, the Authority shall establish priority as follows: following the first priority of funding for new Charter Schools in the various regions of the State, the Authority shall award loans based on the percentage of students eligible for free or reduced price meals in the attendance area for the grade-level equivalent district-operated school. The Authority will rely on free and reduced price meal data as reported by the California Department of Education.
 - (1) Among New Charter Schools, if applicable, based on highest FRPM across Regions ensuring equal representation to the extent feasible among Regions pursuant to new Sections 10170.17(o)-(r);
 - (2) Among existing Charter Schools based on highest FRPM across Regions ensuring equal representation to the extent feasible among Regions pursuant to new Sections 10170.17(o)-(r).
- (e) Pursuant to subdivision (d), in the event that the Charter School's FRPM data is not available, the Authority shall award loans based on the FRPM of the school's projected elementary school attendance area.

Note: Authority cited: Section 41365, Education Code.

Reference: Sections 41365 and 41366.5, Education Code.

Section 10170.21. Loan Amount and Repayment Terms.

- (a) The Authority shall establish a loan amount and repayment period, for an approved loan, which shall be memorialized in a written Loan Agreement and subject to an interest rate equal to the interest rate earned in the Pooled Money Investment Account as of the date of loan disbursement.
- (b) The Authority shall consider the term of the charter as well as the amount of the loan in establishing the repayment period.
 - (1) In the case of a New Charter School, the loan term will not exceed the length of the school's approved charter term.

- (c) ~~In no instance shall a Program loan, or combination of Program loans for a Charter School, exceed \$250,000.~~
- (c) Loan payments shall begin the fiscal year following the fiscal year in which the school was disbursed the loan from the Authority, as determined by the Authority's accounting office.
- (d) The repayment amount for each fiscal year following the issuance of the loan shall be based on equal annual payments, including principal and interest, over the number of years determined by the Authority.
- (e) In no event shall the repayment period on a Program loan exceed five years.

Note: Authority cited: Section 41365, Education Code.

Reference: Sections 41365 and 41366.5, Education Code.

Section 10170.22. Loan Agreements.

- (a) Prior to the issuance of each loan award, the Authority shall require each Loan Recipient to agree to terms and conditions set forth in a written Loan Agreement, which shall specify the loan amount, repayment period, covenants, and requirements in the event of inability to make payments or default.
- (b) The Loan Agreement requires each Loan Recipient to have a valid CDS eCode.
- (c) The Loan Agreement shall require each Loan Recipient to agree to each of the following:
 - (1) Having its loan payments intercepted and offset at the state level, pursuant to Sections 41365(f) of the Education Code;
 - (2) Defending, indemnifying and holding harmless the Authority and the State, and all officers, trustees, agents, and employees of the same, from and against any and all claims, losses, costs, damages, or liability of any kind or nature, whether direct or indirect, arising from or relating to the Program;
 - (3) Complying with any audit provisions as may be required by the Authority, State Controller, or the ~~Bureau of State Audits~~ California State Auditor;
 - (4) Maintaining a valid charter and operating a Charter School continuously throughout the term of the loan. The Authority reserves the right to contact the Chartering Authority directly seeking written verification that the Loan Recipient is in good standing and in compliance with the terms of its charter;
 - (5) Notifying the Authority, within 30 days, of any material changes to its financial condition or that of the Charter School that occur between the time of Application and the end of the loan period;
 - (6) Ensuring that the expenditure of all loan funds is consistent with the intent of the Program and solely for the purpose of supporting the operations and financing of the Charter School; and
 - (7) Notifying the Authority within 30 days of a Loan Recipient's determination that all or a portion of loan funds are no longer needed for their intended use, as

- identified in the Application, and providing remittance to the Authority of all such funds that have already been disbursed; and
- (8) Such other terms and conditions as agreed upon by the Authority and the Charter School.
 - (d) The Loan Agreement shall include a loan repayment and offset schedule.
 - (e) In the case of insufficient funds to make the annual payment during a fiscal year, any available funds will be offset as scheduled and any deficit / amount owed will be added to the next scheduled apportionment offset in the same fiscal year.
 - (1) If the total of insufficient funds is not offset by the end of the fiscal year, then the deficit / amount owed will be invoiced to the Charter School and will be repaid within 60 days.
 - (2) If a Charter School closes or fails to open within the next fiscal year after receiving their loan disbursement, the Charter School will be invoiced for the full loan amount and must be repaid within 60 days, unless granted an extension.
 - (f) The Authority shall set up accounts receivable for any Charter School that is past due on loan repayment or that has defaulted on repayment of a Loan.
 - (g) In the event the Charter School is unable to repay the loan and the Charter School is operated by an ~~educational management organization, charter management organization, Affiliated Organization~~ or eChartering aAuthority in the case of a dependent charter, the Authority shall require the ~~educational management organization, charter management organization, Affiliated Organization~~ or eChartering aAuthority to make annual payments or repay the total outstanding loan amount on behalf of the Charter School.

Note: Authority cited: Section 41365, Education Code.

Reference: Sections 41365 and 41366.5, Education Code.

Section 10170.23. Internal Controls, Audits and Conflicts of Interest.

- (a) The State may conduct or require periodic audits to ensure Loan Recipients are using funds consistent with the requirements and the terms of the Program, the related financing pProgram, if applicable, and this Article as approved. Loan Recipients shall retain all documentation and financial data necessary to substantiate the purposes for which the financing funds were spent for a period of five years after repayment of the loan.
- (b) Loan Recipients may be required to routinely verify continued eligibility.
- (c) The Authority reserves the right to conduct site visits to any eCharter sSchool facility or project applying for or receiving a loan pursuant to this Article.

Note: Authority cited: Section 41365, Education Code.

Reference: Sections 41365 and 41366.5, Education Code.

Section 10170.24. Funding Contingency.

- (a) Funding for this Program in each Fiscal Year is contingent upon the availability of funds in the Charter School Revolving Loan Fund.

Note: Authority cited: Section 41365, Education Code.

Reference: Sections 41365 and 41366.5, Education Code.

California School Finance Authority
Charter School Revolving Loan Fund Program Application
 (Pursuant to California Education Code Sections 41365-41367 and
 California Code of Regulations, Title 4, Sections 10170.16-10170.24)

Instructions: Whether the charter school is in operations or in its planning year, please provide an answer for each.
 Please provide Additional Information, sections 2, 3, & 4 of the application by CD-ROM or flash drive.

Please Select One:	
<input type="checkbox"/> Option A: Application is submitted by charter school that is incorporated	
Corporation Name (Please provide)	
<input type="checkbox"/> Option B: Application is submitted by a Chartering Authority on Behalf of a Charter School	

Loan Request Information			
Loan Amount Requested (maximum \$250,000 per Charter School)		Loan Repayment Period Requested (1 to 5 years)	

Charter School Information	
Charter School Name	
Charter Number	
CDS Code	
Affiliated Organization (If Applicable)	
Chartering Authority	
Contact Name and Title	
Contact Email Address	
Contact Phone Number	
Mailing Location: Street Address	
Mailing Location: City, State, Zip Code	
Physical Location: Street Address	
Physical Location: City, State, Zip Code	
Date of Charter Approval	
Approved Charter Term (mm/dd/yyyy to mm/dd/yyyy)	
Opening Date of School	
Elementary School Attendance Area (Projected if unknown)	

California School Finance Authority
Charter School Revolving Loan Fund Program Application
(Continued)

Additional Information Required

1. Charter School Questions:

- a. Is the school in operations? Yes No
- b. If the school is not currently in operations, has the school submitted their petition to a chartering authority?
Yes No N/A
- c. Is the school a conversion? Yes No
- d. Has the school's charter been renewed? Yes No
- e. Previously, has the school received a loan through the Program? Yes No
If Yes, when was the loan awarded?

If Yes, how much was the loan award?

- f. If the school is operated by an affiliated organization, does the affiliate have other schools that were previously awarded?
Yes No N/A
If Yes, please provide a list of school names, award dates, and award amounts.

- g. Please list all CSFA programs in which the school has been an applicant. (If applicable).

- h. What kind of school is the charter? Classroom Based Non-Classroom Based Hybrid

2. Written Request:

Please describe the financial needs of the charter school, justifying the loan and a brief description of the intended uses of the loan proceeds.

3. Operational Documentation:

- a. For Option A: Articles of Incorporation of the Charter School as approved by the California Secretary of State.
- b. For Option B: Agreement or memorandum of understanding between charter school and chartering authority.
- c. Legal Status Questionnaire (See Attachment A).
- d. Most recent business plan and/or strategic plan for at least the next five academic years. (Please note if the business plan is in the charter petition).
- e. Listing of applicant's board of directors including their occupations, cities of residence, and terms of office.
- f. Resumes of charter school key staff members (e.g. CEO, President, Operations Manager, CFO, Principal, etc.)
- g. Enrollment and attendance for the current year (if in operations) and at least the five academic years beyond the year for which the applicant is applying (Total of 5 years; 6 years for schools already in operations).
- h. Targeted student population/demographics, including but not limited to % FRPM and % English learners.
- i. Listing of all material contracts such as management, support services, transportation, and any anticipated contracts involving use of space or equipment; including: name of contractor, service, term, and annual amount.
- j. A valid current charter between the applicant and its authorizer, along with verification of charter approval and charter term (OR) a charter petition with documentation confirming the submission for approval.

4. Financial Documentation:

- a. Audited financial statements (if available).
- b. Excel budget projections for the current year (if in operations) and at least the five fiscal years beyond the fiscal year for which the applicant is applying. (5 years total, 6 years for schools already in operations) & assumptions.
- c. Listing and verification of other sources of funding (ie. private contributions, fundraising, grants, etc.).
- d. Listing and verification of the total amounts, annual amounts, interest rates, and maturity dates of all existing and anticipated short- and long-term debt obligations.
- e. Describe the impact the receipt of the loan will have on the charter school's operations and receipt of other public or private financing.
- f. Describe any plans for creative uses of the funds, such as loan guarantees or types of credit enhancements.

California School Finance Authority
Charter School Revolving Loan Fund Program Application
 (Continued)

Option A Certification

Incorporated charter school is applying for and guarantees repayment of loan:

The undersigned hereby request(s) a loan from the Charter School Revolving Loan Fund in accordance with Education Code sections 41365-41367. I hereby certify to the best of my knowledge and belief, that the above information and supporting documents are true and correct and that any loan funds received as a result of this application will be used in accordance with Education Code Section 41365, all other applicable state and federal laws and regulations, general legal assurances, and instructions for the loan application. By signing this document the incorporated charter school that is requesting the loan is assuring the repayment of the loan in full, even in the event of closure of the charter school or the charter school's inability to make annual repayments.

School Name	
Signature of Authorized Charter School Representative	
Printed Name	
Title	
Date	

Option B Certification

Chartering authority is applying for and guarantees repayment of loan:

The undersigned hereby request(s) a loan from the Charter School Revolving Loan Fund in accordance with Education Code sections 41365-41367. I hereby certify to the best of my knowledge and belief, that the above information and supporting documents are true and correct and that any loan funds received as a result of this application will be used in accordance with Education Code Section 41365, all other applicable state and federal laws and regulations, general legal assurances, and instructions for the loan application. By signing this document the chartering authority that is requesting the loan is assuring the repayment of the loan in full, even in the event of closure of the charter school or the chartering authority's inability to make annual repayments.

School Name	
Signature of Authorized Chartering Authority Representative	
Printed Name	
Title	
Date	

California School Finance Authority
Charter School Revolving Loan Fund Program Application
(Continued)

Attachment A

LEGAL STATUS QUESTIONNAIRE

1. Disclose material information relating to any legal or regulatory proceeding or investigation in which the applicant/borrower/project sponsor is or has been a party and which might have a material impact on the financial viability of the project or the applicant/borrower/project sponsor. Such disclosures should include any parent, subsidiary, or affiliate of the applicant/borrower/project sponsor that is involved in the management, operation, or development of the project.

Response: _____

2. Disclose any civil, criminal, or regulatory action in which the applicant/borrower/project sponsor, or any current board members (not including volunteer board members of non-profit entities), partners, limited liability corporation members, senior officers, or senior management personnel has been named a defendant in such action in the past ten years involving fraud or corruption, or matters involving health and safety where there are allegations of serious harm to employees, the public, or the environment.

Response: _____

Disclosures should include civil or criminal cases filed in state or federal court; civil or criminal investigations by local, state, or federal law enforcement authorities; and enforcement proceedings or investigations by local, state or federal regulatory agencies. The information provided must include relevant dates, the nature of the allegation(s), charters, complaint or filing, and the outcome.

Signatures on behalf of [*print or type school name*]: _____

I/We attest that we have provided full disclosure as *indicated* in response to items #1 and #2 above.

Signature of Principal, CEO, or Lead Administrator

Date

Print or Type Name: _____

Signature of President or Chair of Governing Board

Date

Print or Type Name: _____