

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, February 23, 2005

CHARTER SCHOOL FACILITY PROGRAM
PRELIMINARY APPORTIONMENT APPROVALS

PURPOSE OF REPORT

To provide preliminary apportionments for the 2004 Charter School Facility Program (CSFP).

DESCRIPTION

Proposition 55, passed by California voters in March 2004, established the CSFP within the existing School Facility Program, providing \$300 million for preliminary apportionments. This program provides qualified applicants with a preliminary apportionment for the construction of new charter schools or additions to existing charter schools. The applications that are included on the attachment to this agenda item underwent a thorough review process by both the Office of Public School Construction (OPSC) and the California School Finance Authority (CSFA). The applicants have been deemed financially sound and all program requirements have been met.

AUTHORITY

Education Code Sections 17078.52 through 17078.66 and 17180.5 established the CSFP and the 2004 Charter School Facilities Account. Within the Charter School Facilities Account, Regulation 1859.163.3 requires the Board to establish a separate account for relocation expenses and Department of Toxic Substances Control (DTSC) fees and a separate account for hazardous material/waste removal costs. Education Code Section 17078.54 further authorizes the CSFA to charge its administrative costs against the Charter School Facilities Account, not to exceed 2.5 percent of this account or \$7,500,000.

Pursuant to Regulation Section 1859.164, all funds approved as a preliminary apportionment are to be transferred to the Restricted Charter School Fund.

Pursuant to Regulation Section 1859.166 and 1859.166.1, a time limit and a potential time extension are provided for the conversion of a preliminary apportionment to a final apportionment. These sections further provide that any preliminary charter school apportionments not converted will be rescinded and the funding reserved for the project will be placed back in the Unrestricted Charter School Fund.

STAFF COMMENTS

Of the \$300 million made available for the CSFP, up to 2.5 percent of this amount may be used by the CSFA for its administrative purposes. In addition, based on all financially sound applications and pursuant to the methodology outlined in Regulation Section 1859.163.3, Staff has calculated the set aside amounts for the Relocation/DTSC Fund and the Hazardous Material/Waste Removal Fund. As a result, a remaining balance of \$276,810,763 is available for preliminary apportionments. The chart below shows the distribution of the \$300 million available to fund the CSFP:

Fund/Account	Amount
Total Available from Proposition 55	\$300,000,000
CSFA Administrative Fee	(\$7,500,000)
DTSC/Relocation Fund	(\$13,117,860)
Hazardous Material/Waste Removal Fund	(\$2,571,377)
Subtotal	(\$23,189,237)
Total available for Preliminary Apportionments	\$276,810,763

STAFF COMMENTS (cont.)

The OPSC accepted applications from 34 eligible applicants in the amount of \$320,597,431. The value of the applications received exceeds the remaining \$276,810,763 available for apportionment in the Charter School Facilities Account. Therefore, by law, the following will occur:

- To ensure a variety of project types are funded, the Board shall apportion applications based on both preference points and funding category. Preference points for applicants are calculated based on:
 - percentage of overcrowding for the school district where the project will be located
 - percentage of low income pupils in the school district where the project will be located or in the existing charter school, and
 - whether or not the charter school is a non-profit entity

Once the preference points have been established, the application with the highest number of points will be funded in each of the categories for region of the State, urban, rural or suburban area type, size of the charter school, and grade levels served by the project. On the attachment to this item, the applications are shown in the rank order required and the shaded projects are those that are recommended for funding.

- All funds approved as a Preliminary Charter School Apportionment in this action shall be transferred to the Restricted Charter School Fund within the appropriate Charter School Facility Account for the purpose of making final apportionments to the individual projects when the charter school or school district files a conversion application.
- Any applications the SAB is unable to provide a Preliminary Charter School Apportionment will be returned to the Charter School applicant as there is no provision in law to establish an unfunded list for the remaining projects.

The applicants will have four years (with a possible one-year extension) to convert the project to a Final Charter School Apportionment. Any preliminary charter school apportionments not converted within the specified time period will be rescinded and the funding reserved for the project will be placed back in the Unrestricted Charter School Fund.

RECOMMENDATIONS

1. Approve preliminary apportionments for the projects shown on the attachment in the amount of \$276,810,763.
2. Approve the establishment of the fund for Relocation/DTSC Fees in the amount of \$13,117,860.
3. Approve the establishment of the fund for Hazardous Material/Waste Removal in the amount of \$2,571,377.
4. Authorize the OPSC to set aside \$7,500,000 in funding for CSFA administrative costs.
5. Authorize the transfer of \$276,810,763 to the Restricted Charter School Fund within the 2004 Charter School Facilities Account.
6. Provide that the charter schools receiving a Preliminary Apportionment convert the project to a Final Apportionment within 4 years or as provided in Regulation Section 1859.166.1.

BOARD ACTION

In considering this Item, the Board approved the preliminary apportionments in the amount of \$276,810,763 and requested that Staff work with the El Portal Charter School and the Gilroy Unified School District on the following issues: 1) to determine if the Gilroy USD would be willing to file on behalf of the El Portal Charter School, and 2) to explore other funding alternatives under the School Facility Program financial hardship provisions that could provide potential funding for the El Portal Charter School should the Gilroy USD qualify as a financial hardship district.

Additionally, the Board directed Staff to report back on whether a facility funding resolution has been reached between the Gilroy USD and the El Portal Charter School, as well as a status update on the Los Angeles Unified School District and the Watts Learning Center appeal presented at the January 26, 2005 SAB meeting.

State Allocation Board Meeting, February 23, 2005
Charter School Facility Preliminary Apportionments

Attachment

Application Number	District	County	Charter School	50-09 Received Date	Total Preference Points	CATEGORY 1		CATEGORY 2		CATEGORY 3		CATEGORY 4		Total Project Cost	Total State Share (including Lease Payment Amt)	Cummulative Value of Preliminary Apportionments
						Region	Funding Order	Urban, Rural, Suburban	Funding Order	Large, Medium, Small	Funding Order	Grade Level	Funding Order			
54/67314-00-003	ELK GROVE UNIFIED	SACRAMENTO	CALIF. MONTESSORI PROJECT-ELK GROVE CAMPUS	7/29/2004	68	1	1	Suburban	-	Medium	-	7-8	-	11,834,282.00	11,834,282.00	11,834,282.00
54/62166-00-001	FRESNO UNIFIED	FRESNO	UNIVERSITY HIGH (NEW CHARTER SCHOOL)	7/6/2004	64	2	2	Urban	-	Large	-	9-12	-	11,603,850.00	10,903,850.00	22,738,132.00
54/75044-00-001	HESPERIA UNIFIED	SAN BERNARDINO	CROSSWALK CHARTER SCHOOL	7/29/2004	88	3	3	Suburban	-	Small	-	9-12	-	6,556,218.00	6,556,218.00	29,294,350.00
54/75192-00-001	TEMECULA VALLEY UNIFIED	RIVERSIDE	TEMECULA PREPARATORY SCHOOL	7/28/2004	28	4	4	Rural	-	Medium	-	7-8	-	4,669,180.00	2,334,590.00	31,628,940.00
54/64733-00-013	LOS ANGELES UNIFIED	LOS ANGELES	VAUGHN ELEMENTARY LANGUAGE ACADEMY	7/16/2004	64	3	-	Urban	5	Medium	-	K-6	-	11,344,418.00	8,335,663.00	39,964,603.00
54/61838-00-001	BUCKEYE UNION ELEMENTARY	EL DORADO	CALIF. MONTESSORI PROJECT-SHINGLE SPRINGS	7/29/2004	36	1	-	Rural	6	Medium	-	7-8	-	5,310,746.00	5,310,746.00	45,275,349.00
54/64352-00-002	CENTINELA VALLEY UNION HIGH	LOS ANGELES	ENVIRONMENTAL CHARTER	6/30/2004	80	3	-	Suburban	7	Medium	-	9-12	-	13,914,378.00	13,914,378.00	59,189,727.00
54/64733-00-011	LOS ANGELES UNIFIED	LOS ANGELES	CAMINO NUEVO CHARTER ACADEMY	7/14/2004	56	3	-	Urban	-	Large	8	7-8	-	10,964,168.00	10,964,168.00	70,153,895.00
54/64634-00-002	INGLEWOOD UNIFIED	LOS ANGELES	ANIMO INGLEWOOD CHARTER HIGH	7/23/2004	76	3	-	Suburban	-	Medium	9	9-12	-	12,268,618.00	12,268,618.00	82,422,513.00
54/64733-00-014	LOS ANGELES UNIFIED	LOS ANGELES	VAUGHN HIGH SCHOOL ACADEMY	7/19/2004	64	3	-	Urban	-	Small	10	9-12	-	19,689,644.00	14,521,483.00	96,943,996.00
54/64634-00-003	INGLEWOOD UNIFIED	LOS ANGELES	TODAY'S FRESH START CHARTER	7/29/2004	68	3	-	Suburban	-	Medium	-	K-6	11	12,605,650.00	12,605,650.00	109,549,646.00
54/62166-00-002	FRESNO UNIFIED	FRESNO	KIPP ACADEMY FRESNO	7/29/2004	64	2	-	Urban	-	Small	-	7-8	12	4,156,628.00	4,156,628.00	113,706,274.00
54/64733-00-016	LOS ANGELES UNIFIED	LOS ANGELES	OSCAR DE LA HOYA ANIMO CHARTER HIGH SCHOOL	7/21/2004	62	3	-	Urban	-	Medium	-	9-12	13	11,816,346.00	11,816,346.00	125,522,620.00
54/67314-00-002	ELK GROVE UNIFIED	SACRAMENTO	ELK GROVE CHARTER	7/29/2004	48	1	14	Urban	-	Medium	-	9-12	-	3,547,830.00	3,547,830.00	129,070,450.00
54/61259-11-001	OAKLAND UNIFIED	ALAMEDA	OSA-FOX THEATRE PROJECT	7/29/2004	52	2	15	Urban	-	Medium	-	9-12	-	9,967,844.00	4,983,922.00	134,054,372.00
54/64733-00-010	LOS ANGELES UNIFIED	LOS ANGELES	LEADERSHIP ACADEMY	7/13/2004	60	3	16	Urban	-	Medium	-	9-12	-	18,166,664.00	18,166,664.00	152,221,036.00
54/75192-00-002	TEMECULA VALLEY UNIFIED	RIVERSIDE	FRENCH VALLEY CHARTER	7/29/2004	28	4	17	Rural	-	Medium	-	7-8	-	4,057,738.00	2,028,869.00	154,249,905.00
54/64733-00-015	LOS ANGELES UNIFIED	LOS ANGELES	ACADEMIA SEMILLAS DEL PUEBLO	7/21/2004	60	3	-	Urban	18	Medium	-	7-8	-	13,557,546.00	13,557,546.00	167,807,451.00
54/62893-00-002	JACOBY CREEK ELEMENTARY	HUMBOLDT	JACOBY CREEK ELEMENTARY	7/26/2004	20	1	-	Rural	19	Large	-	7-8	-	1,362,964.00	1,362,964.00	169,170,415.00
54/64733-00-018	LOS ANGELES UNIFIED	LOS ANGELES	ANIMO SOUTH LOS ANGELES CHARTER HIGH	7/16/2004	56	3	-	Suburban	20	Small	-	9-12	-	12,457,476.00	12,457,476.00	181,627,891.00
54/64733-00-026	LOS ANGELES UNIFIED	LOS ANGELES	LOS ANGELES 6-12 CHARTER	7/29/2004	56	3	-	Suburban	-	Large	21	9-12	-	19,669,826.00	19,669,826.00	201,297,717.00
54/64733-00-020	LOS ANGELES UNIFIED	LOS ANGELES	PORT OF LOS ANGELES HIGH SCHOOL ¹	7/29/2004	56	3	-	Urban	-	Medium	22	9-12	-	16,335,234.00	16,335,234.00	217,632,951.00
54/64733-00-019	LOS ANGELES UNIFIED	LOS ANGELES	ANIMO VENICE CHARTER HIGH	7/16/2004	56	3	-	Urban	-	Small	23	9-12	-	12,328,892.00	12,328,892.00	229,961,843.00
54/64733-00-012	LOS ANGELES UNIFIED	LOS ANGELES	ACCELERATED CHARTER ELEMENTARY SCHOOL	7/19/2004	56	3	-	Urban	-	Small	-	K-6	24	11,756,256.00	11,756,256.00	241,718,099.00
54/64733-00-025	LOS ANGELES UNIFIED	LOS ANGELES	CHIME CHARTER MIDDLE ²	7/29/2004	56	3	-	Urban	-	Small	-	7-8	25	3,264,680.00	3,264,680.00	244,982,779.00
54/64733-00-017	LOS ANGELES UNIFIED	LOS ANGELES	ANIMO DOWNTOWN CHARTER HIGH	7/19/2004	56	3	-	Urban	-	Small	-	9-12	26	12,142,552.00	12,142,552.00	257,125,331.00
54/75085-00-001	ROCKLIN UNIFIED	PLACER	MARIA MONTESSORI CHARTER ACADEMY	7/27/2004	40	1	27	Suburban	-	Small	-	7-8	-	5,560,948.00	5,560,948.00	262,686,279.00
54/68478-28-001	SAN FRANCISCO UNIFIED	SAN FRANCISCO	CITY ARTS AND TECH HIGH	7/29/2004	48	2	28	Urban	-	Small	-	9-12	-	14,124,484.00	14,124,484.00	276,810,763.00
54/64733-00-027	LOS ANGELES UNIFIED	LOS ANGELES	LOS ANGELES K-5 CHARTER ¹	7/29/2004	56	3	29	Suburban	-	Medium	-	K-6	-	13,267,148.00	13,267,148.00	290,077,911.00
54/64733-00-023	LOS ANGELES UNIFIED	LOS ANGELES	KIPP LOS ANGELES COLLEGE PREPARATORY SCHOOL ²	7/29/2004	56	3	-	Urban	30	Small	-	7-8	-	6,797,928.00	6,797,928.00	296,875,839.00
54/69484-00-001	GILROY UNIFIED	SANTA CLARA	MACSA EL PORTAL LEADERSHIP ACADEMY	7/29/2004	44	2	-	Suburban	31	Small	-	9-12	-	9,595,954.00	6,113,454.00	302,989,293.00
54/70581-00-001	VALLEJO CITY UNIFIED	SOLANO	MARE ISLAND TECHNOLOGY ACADEMY HIGH	7/29/2004	40	1	-	Suburban	-	Medium	32	9-12	-	7,047,988.00	7,047,988.00	310,037,281.00
54/64733-00-022	LOS ANGELES UNIFIED	LOS ANGELES	KIPP ACADEMY OF OPPORTUNITY	7/29/2004	56	3	-	Urban	-	Small	33	7-8	-	7,619,520.00	7,619,520.00	317,656,801.00
54/63974-00-002	LEMOORE UNION ELEMENTARY	KINGS	LEMOORE ELEMENTARY UNIVERSITY CHARTER	7/26/2004	40	2	-	Suburban	-	Small	-	7-8	34	3,940,630.00	2,940,630.00	320,597,431.00
New Construction Funding Total:														343,304,228.00	320,597,431.00	

^{1 2} These two Preliminary Charter School Applications have the same preference points in the same category resulting in a tie. The Preliminary Charter School Application that was received first by the OPSC was selected.