

RESOLUTION NO. 15-13

APPROVAL OF FINANCIAL SOUNDNESS DETERMINATION FOR THE CHARTER SCHOOL FACILITIES PROGRAM FOR FINAL APPORTIONMENT IN THE AMOUNT NOT TO EXCEED \$17,413,956 FOR MAGNOLIA SCIENCE ACADEMY-SANTA ANA LOCATED IN ORANGE COUNTY, CALIFORNIA

May 27, 2015

WHEREAS, the California School Finance Authority (Authority) is authorized by Education Code section 17078.57 to determine whether applicants to the Charter School Facilities Program (Program) are financially sound for purposes of the Program at the time of preliminary, advance, and final apportionment;

WHEREAS, Magnolia Educational and Research Foundation (MERF), on behalf of Magnolia Science Academy – Santa Ana (MSA-SA), was determined by the Authority to be financially sound for purposes of a preliminary apportionment at its May 12, 2010 meeting; and

WHEREAS, on May 26, 2010, the State Allocation Board (Board), through the funding methodology established pursuant to Education Code section 17078.56, awarded MSA-SA a preliminary apportionment of \$17,413,956; and

WHEREAS, MSA-SA received an advance apportionment for design in the amount of \$1,481,396 on January 20, 2012 and an advance apportionment for site acquisition in the amount of \$2,600,000 on May 22, 2012; and

WHEREAS, MERF, on behalf of MSA-SA, is now seeking conversion to Final Apportionment with total project costs not to exceed \$17,413,956, and a local matching share not to exceed \$8,706,978, which MERF will fulfill through a 30 year loan agreement with the State; and

WHEREAS, the Authority is required by Program regulations to conduct a review of MERF's financial status at the time of the request for Final Apportionment, and determine whether MERF, on behalf of MSA-SA, has maintained a financially sound status; and

WHEREAS, this determination of financial soundness is contingent upon MERF, on behalf of MSA-SA, fulfilling its local matching share obligation through an annual Program payment to be intercepted by the State Controller's Office and paid to the State and any other conditions contained in the staff summary presented to the board at its May 27, 2015 meeting.

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

Section 1. That MERF, on behalf of MSA-SA, has maintained its financial soundness for purposes of the Program, specifically with regard to Final Apportionment.

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

Section 3. The Executive Director of the Authority is hereby authorized, for and on behalf of the Authority, to notify the Board, and provide supporting documentation, that MERF, on behalf of MSA-SA, has maintained its financial soundness for purposes of the Program and for a Final Apportionment.

Section 4. The Executive Director of the Authority is hereby authorized, for and on behalf of the Authority, to execute the Program agreements between the State and MERF, on behalf of MSA-SA, prior to any release of funds.

Section 6. This resolution shall take effect immediately upon its approval.

Date of Adoption: May 27, 2015

CERTIFICATE OF THE EXECUTIVE DIRECTOR
(Attesting to Action of the Authority)
Sacramento, California

I, Katrina Johantgen, Executive Director of the California School Finance Authority, hereby certify that the foregoing is a full, true, and correct copy of Resolution No.15-13 of the California School Finance Authority Approving a Financially Sound Determination for the Charter School Facilities Program Application For Final Apportionment for Magnolia Science Academy-Santa Ana, Located In Orange County, California, as adopted at a meeting of the California School Finance Authority held at 915 Capitol Mall, Conference Room 587, Sacramento, California, on May 27, 2015, for which meeting all of the members of said Authority had due notice; and that at the meeting the staff recommendation was adopted by the following votes:

AYES:

NOES:

ABSTAINS:

ABSENT:

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

I further certify that the original minutes of said meeting and a copy of the original Resolution adopted at said meeting are on file in the California School Finance Authority office; and that the Resolution has not been amended, modified, or rescinded in any manner since the date of its adoption, and the same is now in full force and effect.

IN WITNESS WHEREOF, I have executed this certificate and affixed the seal of the California School Finance Authority hereto.

(seal)

May 27, 2015

Katrina Johantgen, Executive Director