

CALIFORNIA SCHOOL FINANCE AUTHORITY

Meeting of the Board

Tuesday, January 15, 2019
1:00 p.m.

915 Capitol Mall, Room 587
Sacramento, California 95814

State Treasurer Fiona Ma, serving as Chair, called the meeting to order.

Roll Call

Members Present: Fiona Ma, CPA, State Treasurer
Juan Mireles, designee for Tony Thurmond, Superintendent of Public Instruction
Jacqueline Wong-Hernandez, designee for Keely Martin Bosler, Director of Finance

Staff Present: Katrina Johantgen, Executive Director
Laura Martinez, Manager
Ian Davis, Program Analyst
Anne Osborne, Program Analyst
Kristen Schunk, Program Analyst
Ryan Storey, Program Analyst
Nicolaus Seppi, Office Technician

Katrina Johantgen welcomed those on the phone line to the Board meeting, after which Treasurer Ma declared a quorum present after roll call.

Item 2: Approval of Minutes: The Board reviewed minutes from the December 11, 2018 Authority Board meeting and approved them unanimously by roll call.

Item 3: Executive Director's Report: Ms. Johantgen provided updates related to the Authority's programs.

Item 4: Resolution 19-01 – Financial Soundness Determinations for Charter School Facilities Program (Proposition 51) Applicants for Purposes of an Advance Apportionment

Ms. Johantgen introduced the item related to the Charter School Facilities Program, and our financial soundness recommendations. Ms. Johantgen invited Ryan Storey, Program Analyst, and Julian Love, Chief Financial Officer of St. Hope Public Schools, to speak to the Board. Mr. Storey presented the three projects being recommended for financial soundness: Libertas, \$26 million for a new campus; Sierra Foothill, a rehabilitation project for \$3 million, and; St. Hope, a \$25 million new facilities construction and rehabilitation project. He also discussed that the schools meet all program eligibility requirements, the financial indicators of the three schools, the scoring methodology used, and that each school is in good standing with its Authorizer.

The Authority amended Resolution 19-01 to reflect that the approval is valid only if Findings 2015-002 and 2016-002 penalty settlements are executed by all relevant parties and approved by the Education Audit Appeals Panel (EAAP). Mr. Storey confirmed that the

preliminary settlements from those cases were included in the school's financial soundness review. However, he noted that if settlement fees increase or were not approved by the EAAP, the school would need to return to the Board for a financial soundness review.

Mr. Love addressed the Board after they voiced concerns regarding the teacher credentialing issues facing the school. He said that the school has made changes that will avoid a repeat of this issue in the future, such as hiring staff whose sole job is to inspect and monitor teacher credentials.

Ms. Wong Hernandez made a motion to approve resolution and Mr. Mireles seconded. After a call for public comment, the Board approved the resolution unanimously by roll call.

Item 5 – Adjournment

There being no public comments or other business to conduct, the Board adjourned the meeting.

Respectfully submitted,

Katrina Johantgen