

CALIFORNIA SCHOOL FINANCE AUTHORITY

State Charter School Facilities Incentive Grants Program (CFDA# 84.282D)

Desk Manual for Invoice Schools



September 2018

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Overview of Program and Eligible Costs

Overview

CSFA awards \$10 - \$18 million in Federal grants to assist charter schools in paying current and future facility costs. Maximum grants are \$250,000 annually for on-going costs, or \$500,000 annually for acquisition or construction, over a 3-year period. Grants are calculated at \$750 (on-going costs) or \$1,000 (acquisition/construction) per enrolled student or 75% of a school's facility costs, whichever is lower.

Funds through this program cannot supplant state funding, therefore schools eligible for Charter School Facility Grant Program (SB740) funds must receive funding through SB740 (some exceptions apply see pages 21-22). Applications are typically due at the end of April with awards announced in July or August of each year.

- Funds can be used for ongoing facility costs such as rent, lease, mortgage or debt service, or for acquisition, construction, or renovation of charter school facilities
- Priority given to nonprofit schools that serve low- income students, or are overcrowded
- Schools must have at least one year of operations history by the time of application submission, be in good standing with authorizers, and in compliance with terms of their charter
- Program is typically over-subscribed

Eligible/Ineligible Costs

Eligible:

- Labor;
 - Must be paid in accordance with prevailing wage requirements in the Davis-Bacon and Related Acts (See pages 48-51)
- Materials;
- Design;
- School equipment (e.g. built-in playground equipment, built-in benches/tables, etc.);
- Permit fees;
- Contractor overhead and profit;
- Purchase or acquisition (includes modulars);
- Professional services (e.g. architectural fees, construction management fees, etc.)

Ineligible:

- Costs incurred prior to the date the grant is awarded
- A school district's costs of providing a charter school with a facility
- Overhead or other administrative costs of the school or any other entity, such as a school district, county office of education or charter management organization
- Utilizing funds to supplement any project funded through the Charter School Facilities Program
- Utilizing funds to reimburse the State for Charter School Facilities Program payments
- Used to satisfy a Charter School Facilities Program recipient's local matching share

Grant Requirements

Once a grant has been awarded there are many requirements the Subgrantees must meet in order to remain eligible for the Incentives Program.

ALL SUBGRANTEES

Semi-Annual Certifications:

Program Regulations Sections 10188(e) requires each Subgrantee provide semi-annual certifications no later than February 28 and August 31 of each year.

****Please note that all schools must meet the certification requirements even if not requesting disbursements related to invoices during the certification period*****

The semi-annual certification package must include:

- Certification and request letter on school's letterhead (original signatures required)
- Current Legal Status Questionnaire (requires two signatures, original signatures required)
- System for Award Management (SAM) registration (see pages 20 – 23)
- Information regarding any material changes to the school's:
 - Good standing with its chartering authorizer
 - Location
 - Facility costs
 - Any other material information regarding the school's operations must be notated on the certification letter
 - Please note that any substantive change in the information reported may require an amendment to the grant agreement
- Current ADA as provided in P1 submitted to the California Department of Education
- Copy of the most recent complete schoolwide audit, including an OMB Uniform Guidance compliant single or program-specific audit.

Failure to comply with the semi-annual certification period will result in:

- The Subgrantee will be declared ineligible to receive the first monthly disbursement of the respective semi-annual disbursement period
 - Forfeited funds cannot be disbursed retroactively and will immediately revert to the Authority
- Failure to submit the required certification documents within 30 calendar days following February 28 and August 31 will result in the Subgrantee being declared ineligible to receive the remaining five disbursements (for a total of six disbursements) during that certification period
 - Forfeited funds cannot be disbursed retroactively and will immediately revert to the Authority
- Failure to meet the semi-annual deadline consecutively and provide documentation within 30 calendar days from each deadline will result in the Subgrantee being declared ineligible to receive all remaining disbursements under the grant program.
 - Forfeited funds will immediately revert to the Authority

Grant Requirements (cont.)

Purchase, Acquisition, Construction or Renovation Subgrantees:

Per Program Regulation Section 10185, Subgrantees with awards for purchase, acquisition, construction, or renovation must adhere to the following additional requirements:

- Subgrantees *must* use for the immediate needs of the project identified in the grant agreement
 - The Authority will consider a change in the use of the grant funds if the Subgrantee if the change is consistent with the Program (Regulation Section 10186)
 - Must be submitted to the Authority in writing
 - Considered on a case-by-case basis
 - All changes must be documented and approved to the Authority's satisfaction
 - Will require a new grant agreement and board approval
- Subgrantees *must* obligate and expend funds by the dates specified in the grant agreement
- Subgrantees *must* provide verification that the approved project has been initiated within six months of the award date
- Subgrantees receiving funds for purchase, construction, or renovation *must* draw down grant funds equal to each year's award
 - Failure to meet this requirement will result in the Subgrantee losing one-third of its award
 - Lost funds will revert to the Authority and the grant award will be reduced
- All funds *must* be obligated no more than three years from when a grant is awarded
- All funds *must* be liquidated no more than three years and 90 days from the award date on the grant agreement
- The prime construction contract must include the clauses prescribed in 29 C.F.R. Subtitle A Part 5.5. The contract is to be submitted to Authority as soon as it is signed to ensure compliance. Applicants can choose to submit a draft contract which the Authority can review to ensure these clauses have been included. The signed contract need only be submitted once, but must be submitted before the first disbursement request. **(Note: Any project based on a contract that does not include these clauses will be considered ineligible as it is technically not compliant with DBRA.)**

Sample Documents

Annual Certification Letter Sample

ON SUBGRANTEE'S LETTERHEAD

REQUEST FOR DISBURSEMENT OF GRANT PROCEEDS

[Date of Request]

Katrina Johantgen, Executive Director
California School Finance Authority
300 South Spring Street, Suite 8500
Los Angeles, CA 90013

Dear Ms. Johantgen:

RE: Certification and Request for Disbursement of Grant Funds for [REDACTED]
[REDACTED] (Subgrantee)

This is to request a disbursement of \$_____, under the State Charter School Facilities Incentive Grants Program (CFDA 84.282D) as allowed by the Grant Documents.

I hereby certify and attest to each of the following for the current period through February 28, 2017:

1. The Subgrantee will continuously meet all eligibility requirements listed in Program regulations during this semi-annual disbursement cycle (Cal Code Regs., title 4, §10177).
2. Disbursements from the California School Finance Authority to the Subgrantee shall be directed to the attention of [REDACTED] at the Subgrantee's official address, on file with the Authority as [REDACTED].
3. Grant funds will be applied toward the eligible construction/renovation costs of a charter school facility for [REDACTED], a California charter school, Charter No. [REDACTED], [REDACTED], CDS Code No. [REDACTED], currently operating at [REDACTED], as described in the school's project proposal.
4. None of the costs for which this disbursement is requested have been paid previously.
5. The laborer wages included in this disbursement have met the prevailing wage requirements of the Davis-Bacon Act.
6. These disbursements will not be used to pay for prior costs, nor will they be used to pay for a facility receiving funds under the Charter School Facilities Program.
7. Each disbursement will be expended within three days, or the amount of time between transfer of funds and disbursement will be minimized, as determined by the United States Department of Education.
8. Interest will not be earned on these federal funds.
9. The Subgrantee will comply with the Federal A-133 audit requirements and will provide the Authority a copy of the single or program-specific audit as when available (www.whitehouse.gov/omb/circulars/a133/a133.html).

[Insert Official signature and signature block]

Legal Status Questionnaire Sample

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 (school name): _____

We attest that we have provided full disclosure *as indicated* in response to the 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:

Good Standing Letter Sample



April 23, 2015

To Whom It May Concern:

I am writing to confirm that [REDACTED] is authorized by the [REDACTED] County Board of Education and is in good standing. This charter school was first approved in 2007 and opened in 2008. The current charter term is July 1, 2011 – June 30, 2016.

Please contact me [REDACTED] or [REDACTED] if you need additional information.

Sincerely,

[REDACTED]

[REDACTED]

DB

County Board of Education: [REDACTED]

Committed to serving, inspiring and promoting student and public school success

California Department of Education – P1 Data Sample

Attendance Charter School

County: [REDACTED] District: [REDACTED] CDS CODE: [REDACTED] Fiscal Year: 2015-16 P-1 Certificate Number: 243885D6

Did the charter school cease operation during the current fiscal year? No
 Is this charter school in its first year of operation? No
 Enter Date (month, day, year) that instruction commenced: __/__/__
 Does this charter school operate multiple instructional tracks? No
 Single Track Days of Operation: 0
 What is the site type of the charter school? Site-based

	TK/K-3	Grades 4-6	Grades 7-8	Grades 9-12	Total
Regular ADA	480.21	239.66	0.00	0.00	719.87
Classroom-based ADA included in A-1	479.99	239.51	0.00	0.00	719.50
Extended Year Special Education [EC 56345(b)(3)] (Divisor 175)	0.00	0.00	0.00	0.00	0.00
Classroom-based ADA included in A-3	0.00	0.00	0.00	0.00	0.00
Special Education - Nonpublic, Nonsectarian Schools [EC 56366(a)(7)] and/or Nonpublic, Nonsectarian Schools - Licensed Children's Institutions	0.00	0.00	0.00	0.00	0.00
Classroom-based ADA included in A-5	0.00	0.00	0.00	0.00	0.00
Extended Year Special Education - Nonpublic, Nonsectarian Schools [EC 56366(a)(7)] and/or Nonpublic, Nonsectarian Schools - Licensed Children's Institutions (Divisor 175)	0.00	0.00	0.00	0.00	0.00

Attendance Charter School

Fiscal Year: 2015-16

P-1

Certificate Number: 243885D6

County: [REDACTED]									
District: [REDACTED]									
CDS CODE [REDACTED]									
Classroom-based ADA included in A-7	A-8	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ADA Totals (Sum of A-1 through A-7 excluding classroom-based ADA)	A-9	480.21	239.66	0.00	0.00	0.00	0.00	719.87	
Classroom-based ADA Totals (Sum of A-2 through A-8 including only classroom-based ADA)	A-10	479.99	239.51	0.00	0.00	0.00	0.00	719.50	
Non classroom-based ADA Totals (Difference of A-9 and A-10)	A-11	0.22	0.15	0.00	0.00	0.00	0.00	0.37	

Other

ADA for Students in Transitional Kindergarten pursuant to EC 46300 included in Section A (Lines A-1, A-3, A-5 and A-7, TK/K-3 Column, First Year ADA Only)

Non classroom-based ADA not eligible for funding pursuant to EC 47612.5(b) and 51745.6 and not included in A-11	B-2	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Course Based Independent Study ADA, pursuant to EC 51749.5, included in A-11	B-3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Course Based Independent Study ADA not eligible for funding, pursuant to EC 47612.5(b) and 51745.6, included in B-2	B-4	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Certification

County: [REDACTED]		Fiscal Year: FY 2015-16
District: [REDACTED]	[REDACTED]	P-1
CDS CODE [REDACTED]		243885D6

Attendance Charter School

I hereby certify that, to the best of my knowledge, all data have been compiled and reported in accordance with all applicable laws, regulations and instructions.

Responsible Charter School Official: [REDACTED] Date: [REDACTED]

School District Superintendent: _____ Date: _____

County Superintendent of Schools: _____ Date: _____

Any inquiries concerning this report should be directed to:

CONTACT NAME	[REDACTED]	_____
PHONE	[REDACTED]	_____
FAX	[REDACTED]	_____
E-Mail	[REDACTED]	_____

Stat. Month & Dates	Grade K			Grades 1-3			Grades 4-6			School Total					
	Days N/E	Actual Days	ADA	Days N/E	Actual Days	ADA	Days N/E	Actual Days	ADA	Days N/E	Actual Days	ADA			
1B 08/17 - 9/11/15	61	1,817	128.79	139	4,887	349.07	398	3,347	239.07	249	216	10,051	717.93	753	14
2 9/14 - 10/9/15	38	2,653	132.65	140	6,970	348.50	363	4,812	240.60	247	106	14,435	721.75	750	20
3 10/12 - 11/6/2015	6	2,518	132.53	139	6,619	348.37	391	4,544	239.16	252	117	13,981	720.05	752	19
4/P1 11/09 - 12/04/15	15	1,582	131.83	140	4,153	348.08	393	2,885	238.75	248	67	8,600	716.67	751	12
5 12/07 - 01/01/16															
6 01/04 - 01/29/16															
7 02/01 - 02/26/16															
8/P2 02/29 - 03/29/16															
9 03/29 - 04/22/16															
10 04/25 - 05/20/16															
11 05/23 - 6/17/16															
Cumulative Total	121	8,570	131.85	558	22,529	348.14	1,455	16,558	239.51	939	506	46,787	719.49	3,006	85

Potential Days	Act./Pot. % of Add.	for P-Reports Pre-K Actual Days	Pre-K ADA
10,326	97.34%	306	21.85
14,894	96.92%	451	22.55
14,171	96.54%	431	22.68
8,945	96.14%	259	21.58
48,336	96.73%	1,447	22.26

Stat. Month & Dates	Grade K			Grades 1-3			Grades 4-6			School Total		
	Days N/E	Actual Days	ADA	Days N/E	Actual Days	ADA	Days N/E	Actual Days	ADA	Days N/E	Actual Days	ADA
1B 08/17 - 9/11/15	-	-	-	-	-	-	13	1	0.07	13	1	0.07
2 9/14 - 10/9/15	-	-	-	16	4	0.20	15	5	0.25	31	9	0.45
3 10/12 - 11/6/2015	18	3	0.16	15	-	-	17	-	-	46	3	0.16
4/P1 11/09 - 12/04/15	8	4	0.33	8	4	0.33	9	4	0.33	24	12	1.00
5 12/07 - 01/01/16												
6 01/04 - 01/29/16												
7 02/01 - 02/26/16												
8/P2 02/29 - 03/29/16												
9 03/29 - 04/22/16												
10 04/25 - 05/20/16												
11 05/23 - 6/17/16												
Cumulative Total	24	7	0.11	39	8	0.12	53	10	0.15	116	25	0.38

Potential Days	Act./Pot. % of Add.	for P-Reports Pre-K Actual Days	Pre-K ADA
1	100.00%		-
9	100.00%		-
9	33.33%		-
12	100.00%		-
31	80.65%	0	0.00

Charter Status

County: [REDACTED] Fiscal Year: 2015-16
District: [REDACTED] P-1
CDS CODE [REDACTED] Certificate Number: AD6493CA

Did the charter school cease operation during the current fiscal year? No
Is this charter school in its first year of operation? No
Enter Date (month, day, year) that instruction commenced _/ _/ _
Does this charter school operate multiple instructional tracks? No
Single Track Days of Operation 0
What is the site type of the charter school? Site-based

Certification

County: [REDACTED] Fiscal Year: FY 2015-16
District: [REDACTED] P-1
CDS CODE [REDACTED] AD6493CA

Charter Status

I hereby certify that, to the best of my knowledge, all data have been compiled and reported in accordance with all applicable laws, regulations and instructions.

Responsible Charter School Official

[REDACTED]

Date:

[REDACTED]

School District Superintendent:

Date:

County Superintendent of Schools:

Date:

Any inquiries concerning this report should be directed to:

CONTACT NAME
PHONE
FAX
E-Mail

[REDACTED] _____
[REDACTED] _____
[REDACTED] _____
[REDACTED] _____

Charter School Physical Location

County:	[REDACTED]	Fiscal Year:	2015-16
District:	[REDACTED]		P-1
CDS CODE:	[REDACTED]	Certificate Number:	615A5662

A-1	A-2
County	School District

[REDACTED]

Certification

County:		Fiscal Year: FY 2015-16	
District:	Achieve Academy	P-1	
CDS CODE		615A5662	

Charter School Physical Location

I hereby certify that, to the best of my knowledge, all data have been compiled and reported in accordance with all applicable laws, regulations and instructions.

Responsible Charter School Official: Date:

School District Superintendent: _____ Date: _____

County Superintendent of Schools: _____ Date: _____

Any inquiries concerning this report should be directed to:

CONTACT NAME		_____
PHONE		_____
FAX		_____
E-Mail		_____

Audit to Meet OMB Uniform Guidance Requirements Sample



INDEPENDENT AUDITOR'S REPORT

Board of Directors

San Jose, CA

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of [REDACTED] (the School), a California nonprofit public benefit corporation, which comprise the consolidated statement of financial position as of June 30, 2015, and the related consolidated statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements.

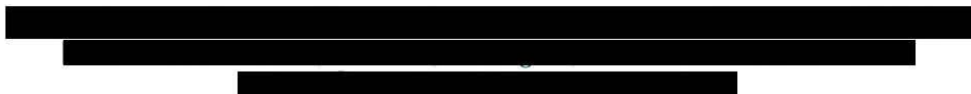
Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



Board of Directors
[REDACTED]

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to on page one present fairly, in all material respects, the financial position of the School as of June 30, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the School's financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The accompanying supplementary schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited the School's June 30, 2014 financial statements, and in our report dated November 12, 2014, expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Board of Directors
[REDACTED]

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated September 28, 2015 on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

[REDACTED]
[REDACTED]

September 28, 2015

Semi-Annual Progress Report Sample



CALIFORNIA SCHOOL FINANCE AUTHORITY

915 Capitol Mall, Suite 516
 Sacramento, CA 95814
 p (916) 651-7710
 f (916) 651-7709

300 S. Spring Street, Suite 8500
 Los Angeles, CA 90013
 p (213) 620-4467
 f (213) 620-6309

csfa@treasurer.ca.gov
 www.treasurer.ca.gov/csfa

MEMBERS

JOHN CHIANG, CHAIRMAN
 State Treasurer

TOM TORLAKSON
 State Superintendent of
 Public Instruction

MICHAEL COHEN
 Director of Finance

EXECUTIVE DIRECTOR
 Katrina M. Johantgen

About Project:

Project Title			
Starting Date		Ending Date	
Project Contractor		Grant Number	
Director's Name & Title			
Name and Contact Information of Project Manager			
Program Name and Number			
Program Manager			

About Progress Report:

Reporting Period	From	To	
Author(s) & Project Role			
Date			
URL (if Published)			

1. Identify Progress Achieved in Last 6 Months

2. Describe Any Issues/Delays

3. Is Project on Target for Completion Date? If Not, Explain.

4. Next Steps on Project

Authorized Signature

Date

Supplant/Supplement Overview

Supplant/Supplement

Federal regulations governing the Incentives Program require that federal funds can only supplement, and cannot supplant, state funding. The formal guidance covering the Program issued by the U. S. Department of Education states that a *“State may use these grant funds only to the extent that the grant funds and the required non-Federal match would supplement the total amount of funding provided to charter schools for any type of cost, including operating and capital costs.”*

For example, if a charter school applies for both the Incentives Program and the SB740 Program for reimbursement of expenses incurred during the same fiscal year, the charter school shall only be eligible for the portion of expenses that is not reimbursable under SB740. Where a charter school has multiple school sites, and the charter school applies for reimbursement for costs associated with a site for which reimbursement is not requested under SB740, the charter school is eligible for such costs provided that they conform to Program requirements.

Furthermore, charter schools may apply to both programs; however, charter schools that receive grant funds authorized under either of these two programs should be aware that they may not receive funding in excess of 75% of annual lease costs through either program, or in combination of both programs, for any one school year.

Supplant/Supplement Matrix

The Supplant/Supplement matrix has been developed to assist applicants to both the Incentives Program and the SB740 Program in determining whether the requested project costs fall under the Supplant/Supplement rule outlined on page two.

Supplant/Supplement Matrix

12/15/2016

		Incentives Applicant			
		A. Applied for and eligible for lease/rent costs only.	B. Applied for and Prop 39, Debt Service, or Mortgage costs.	C. Applied for and eligible for Renovation costs only.	D. Applied for Purchase, Design, or New Construction.
SB740 Applicant	1. Applied for and eligible for lease/rent costs only.	(a) *ADA allowance < **lease allowance, then SB740 covers up to ADA allowance and Incentives covers remaining lease allowance up to [\$750 x (Enrollment – ADA)] (**lease differential); (b) ADA allowance > lease allowance, then SB740 covers lease allowance, and the Applicant is not eligible for Incentives.	NOT Supplant/Supplement as Prop 39, Debt Service, and Mortgage costs are not eligible for SB740. Projects will be evaluated separately	Renovation Costs shall not be eligible under Incentives, unless different schoolsites. 10179. (d) (a) ADA allowance < lease allowance, CSFA will require Applicant to amend Incentives application to apply for lease costs only. SB740 covers up to ADA allowance and Incentives covers remaining lease allowance up to [\$750 x (enrollment – ADA)] (lease differential); (b) ADA allowance > lease allowance, 75% of Lease Costs + Renovation Costs will be covered by SB740 up to ADA Allowance. Applicant is not eligible for Incentives.	NOT Supplant/Supplement. Purchase, Design, and New Construction are not eligible for SB740. Projects will be evaluated separately
	2. Applied for and eligible for lease costs and Renovation costs.	(a) ADA allowance < lease allowance, SB740 covers up to ADA allowance and Incentives covers remaining lease allowance up to [\$750 x (enrollment – ADA)] (b) ADA allowance > lease allowance, 75% of Lease Costs + Renovation Costs will be covered by SB740 up to ADA Allowance. Applicant is not eligible for Incentives.	NOT Supplant/Supplement as Prop 39, Debt Service, and Mortgage costs are not eligible for SB740. Projects will be evaluated separately	Renovation Costs shall not be eligible under Incentives, unless different schoolsites. 10179. (d) (a) ADA allowance < lease allowance, CSFA will require Applicant to amend Incentives application to apply for lease costs only. SB740 covers up to ADA allowance and Incentives covers remaining lease allowance up to [\$750 x (enrollment – ADA)] (lease differential); (b) ADA allowance > lease allowance, 75% of Lease Costs + Renovation Costs will be covered by SB740 up to ADA Allowance. Applicant is not eligible for Incentives.	NOT Supplant/Supplement. Purchase, Design, and New Construction are not eligible for SB740. Projects will be evaluated separately
	3. Applied for and eligible for Renovation costs only.	CSFA will require the Applicant to amend the SB740 application to also apply for lease costs. (a) ADA allowance < lease allowance, SB740 covers up to ADA allowance and Incentives covers remaining lease allowance up to [\$750 x (enrollment – ADA)] (b) ADA allowance > lease allowance, 75% of Lease Costs + Renovation Costs will be covered by SB740 up to ADA Allowance. Applicant is not eligible for Incentives.	NOT Supplant/Supplement as Prop 39, Debt Service, and Mortgage costs are not eligible for SB740. Projects will be evaluated separately	Renovation costs are not covered under Incentives, unless different schoolsites. 10179. (d) Applicant will be eligible for SB740 Award 75% of Renovation Costs up to ADA Allowance.	NOT Supplant/Supplement. Purchase, Design, and New Construction are not eligible for SB740. Projects will be evaluated separately

*ADA allowance = \$750 x Classroom Based ADA;

**Lease allowance = 75% of eligible lease costs.

***Lease Differential = Remaining Lease Allowance up to \$750 x (Enrollment – Classroom Based ADA)

****All scenarios assume same schoolsite. If different schoolsites are involved for Incentives, school is eligible under Incentives reimbursement pursuant to Section 10178(g) of Incentives regulations.

Renovation: Modifying/extending/remodeling the structure of an existing school facility.

New Construction: (1) Construction of a new facility; (2) Modifying/extending/remodeling a structure that is not currently being used as a schoolsite, for the purposes of developing educational facilities.

Steps after Grant Award Notification

After notification from the Authority that its Board has approved the award, the Subgrantee will receive an email notification that includes several attachments and action items, most notably a detailed Grant Agreement. The Subgrantee must submit the following to the Authority before funding can be disbursed:

- Return of the grant agreement signed by an official representative of the charter school, and/or a representative of the parent organization, if applicable, with the following exhibits:
 - A certified resolution in the school's letterhead from the school's governing board, accepting the terms and conditions of the grant agreement
 - A *Certification and Request for Disbursement of Grant Proceeds* template letter on the school's letterhead
 - A current charter, necessary if the charter submitted with the application has or will expire before the end of the grant period
 - Verification of eligibility to receive federal funds by being actively registered in System for Award Management (SAM) at: <https://www.sam.gov/>
 - SAM registration can be a lengthy process so Applicants are encouraged to start the registration as soon as they receive an award notification, if not earlier
 - Create an account if not registered
 - Log in and accept Usage Agreement
 - Follow prompts on SAM website or see SAM registration quick guide on page 9 or the SAM renewal quick guide on page 22
 - Once completed, Applicant will receive a confirmation email which includes the DUNS (Data Universal Number System) and CAGE (Commercial and Government Entity) codes
 - A DUNS number is a unique nine-character identification code that is required by the federal government in order to be eligible to receive federal funds. It has been referred to as the social security number of a business
 - A CAGE code is a five-character identification number required by the federal government and used to support a variety of mechanized systems throughout the government and provides a standardized method of identifying a given legal entity at a specific location
 - Please note that parent organizations can register on behalf of all schools they manage
 - SAM registration is valid for a one-year period and must be updated annually

Sample Documents

Grant Agreement Sample

CALIFORNIA SCHOOL FINANCE AUTHORITY
STATE CHARTER SCHOOL FACILITIES INCENTIVE GRANTS PROGRAM
GRANT AGREEMENT NUMBER 14-XX

STATE CHARTER SCHOOL FACILITIES
INCENTIVE GRANTS PROGRAM (CFDA 84.282D)

By and Among:

California School Finance Authority

And

[SCHOOL],

A California Charter School

ARTICLE I - PURPOSE

- A. THIS GRANT AGREEMENT (AGREEMENT) IS MADE this first day of September 2018 (Effective Date), between the California School Finance Authority (Authority) and [SCHOOL], a California Charter School operating as a non-profit public benefit corporation in accordance with Education Code Section 47604 (Subgrantee). The provisions of this Agreement shall be effective from and after the Effective Date until the termination of the Agreement as provided herein.
- B. The Subgrantee has applied to the Authority for funding for its charter school facilities project (Project) under the State Charter School Facilities Incentive Grants Program (CFDA #84.282D) (Grant) and the regulations for its implementation provided in Title 4, California Code of Regulations, Section 10176 et. seq.
- C. Subgrantee's Application, which is attached hereto as Exhibit A, has been determined by the Authority to meet all eligibility requirements, and the Subgrantee was awarded a Grant through a competitive application process.
- D. The Subgrantee's Project may involve reimbursement of eligible rent or debt service payments, construction or renovation of a facility, or the acquisition of a facility or real property.
- E. The Authority proposes to grant an award to the Subgrantee from the State Charter School Facilities Incentive Grant Program on the terms and conditions herein contained.
- F. The Subgrantee proposes to apply all funds received as a Grant award toward the Project on the terms and conditions herein contained.
- G. The term of this Agreement shall be thirty-six (36) months from September 1, 2019 through August 31, 2022, unless, at the Authority's discretion, the time period is amended in writing.
- H. This Grant's apportionments are contingent upon the receipt of funds in each budget period as scheduled by the United States Department of Education.

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ARTICLE II – DEFINITIONS

Section 2.1 – COMMITMENT LETTER means the Authority’s notification to the Subgrantee that contains the terms and conditions of funding, attached hereto as Exhibit D (incorporated herein by reference).

Section 2.2 – DOCUMENT RESOLUTION means Authority resolution number 06-07 “Approving the Forms of Grant Agreement,” dated January 24, 2006.

Section 2.3 – ELIGIBLE COSTS means those designated Project costs consistent with the Grant and the Grant Documents, and approved by the Authority as set forth in the Authority’s Commitment Letter attached hereto as Exhibit D.

Section 2.4 – EXECUTIVE DIRECTOR means the Executive Director authorized to act on behalf of the Authority.

Section 2.5 – FUNDING RESOLUTION means Authority resolution number 18-16 “Approving Awards and Authorizing the Disbursement of Funds under the Fourteenth Funding Round of the State Charter School Facilities Incentive Grants Program,” dated August 17, 2018.

Section 2.6 - GRANT or GRANT PROGRAM means the State Charter School Facilities Incentive Grant.

Section 2.7 – GRANT DOCUMENTS means this Agreement, Program Regulations, Subgrantee’s Application, Document Resolution, Funding Resolution, and the Commitment Letter, including any and all exhibits to such documents.

Section 2.8 – GRANT PERIOD means the thirty-six (36) month period commencing September 1, 2019 through August 31, 2022, unless, at the Authority’s discretion, the time period is amended.

Section 2.9 – PROJECT means the project, as specifically described in the school’s application and set forth in Exhibit E, unless a change in Project has been authorized by the Authority in writing pursuant to Program Regulations Section 10186.

Section 2.10 – REGULATIONS or PROGRAM REGULATIONS means the California Code of Regulations, Title 4, Division 15, Article 2 (commencing with section 10176), as may be amended from time to time.

ARTICLE III – DELEGATION OF AUTHORITY

Section 3.1 – Pursuant to the Funding Resolution, the Executive Director is authorized to take actions for, on behalf of, and in the name of the Authority, including, but not limited to:

- (a) Taking all steps necessary with respect to the Subgrantee, including notifying the Subgrantee whether its Application has been approved for funding, preparing a Commitment Letter for the Subgrantee, preparing and executing the final form of Grant Agreement, and disbursing funds pursuant to the Grant Agreement and the Authority’s Regulations;
- (b) Approving changes in the Project when necessary and authorized under the Regulations;

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- (c) Drawing money from the Authority's Fund, not to exceed the amount approved by the Authority for the Subgrantee.
- (d) Executing and delivering to the Subgrantee any and all documents necessary to complete the transfer of funds;
- (e) Undertaking any and all actions necessary to execute and deliver any and all documents that the Executive Director deems necessary or advisable in order to effectuate the purposes of the Documents Resolution approved by the Authority; and
- (f) Decreasing or increasing (increase by no more than 20 percent), assuming funds are available to make such increases, Subgrantee award amounts between the time of board approval and grant agreement execution.

ARTICLE IV – REPRESENTATIONS AND WARRANTIES

The Subgrantee makes the following representations and warranties to the Authority:

Section 4.1 – LEGAL STATUS. The Subgrantee represents and warrants that:

- (a) An approved charter has been awarded and is in place and current at the time of application, and will remain so without interruption throughout the application review and approval process.
- (b) The charter school is in good standing with its chartering authority and is in compliance with the terms of its charter at the time of application submission and will remain so without interruption throughout the term of the Grant. The Authority will rely on information from the chartering authority regarding the school's good standing and compliance with the terms of its charter. Charter schools may appeal any response by the chartering authority's staff directly to the chartering authority's governing board. It shall be the charter school's responsibility, and not the Authority's, to ensure that the good standing and compliance response letter is received by the stated deadline.
- (c) The charter school has completed at least one school year of instructional operations under its current County-District-School (CDS) Code and charter number issued by the California Department of Education.
- (d) If a district-dependent charter school, the school can demonstrate operational and financial autonomy from its authorizing district.
- (e) The charter school is not a current Subgrantee pursuant to the 2014 State Charter School Facilities Incentive Grants Program (Rounds 12-13).
- (f) At least eighty percent (80%) of the instructional time offered by the charter school shall be at the school site, and the charter school shall attain an average daily attendance (ADA) rate of at least eighty percent (80%) based on the school's most recent CALPADS or CBEDS report.
- (g) The charter school is established pursuant to Education Code section 47600, et seq., and also meets the Federal definition of charter school as defined in section 5210(1) of the Elementary and Secondary Education Act of 1965 (20 USCA section 7221(i)), as amended by the No Child Left Behind Act of 2001.
- (h) The charter school admits students by lottery in the event more students want to attend the school than the school can accommodate.
- (i) The charter school is able to demonstrate costs are eligible pursuant to Section 10178 of the Regulations.
- (j) The charter school is in compliance with all other programs administered by the Authority, where applicable. Where an educational management organization (EMO) has submitted an application on behalf of a charter school, the compliance of affiliate charter schools within the EMO is not a requirement.

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- (k) The charter school is actively and continuously registered with System for Award Management (SAM) (www.sam.gov) and has no delinquent federal debt and has no active exclusions on the SAM record.

The Subgrantee understands that to be eligible to receive funding under this Grant it must continuously satisfy each of these legal requirements, as they may be amended, throughout the length of time the Project will be assisted by the Grant Program.

Section 4.2 – AUTHORIZATION. This Agreement has been duly authorized, executed, and delivered by the Subgrantee, and is a valid and binding Agreement of the Subgrantee.

Section 4.3 – PROJECT. The Project as set forth in Exhibit E attached hereto meets the criteria defined in the Regulations.

Section 4.4 – ELIGIBLE COSTS. The costs set forth in Exhibit E attached hereto meet the criteria defined in Section 10178 of the Regulations. Grant funds may not be applied to costs other than those approved herein.

Section 4.5 – GRANT DOCUMENTS. The Subgrantee warrants that (a) the Subgrantee has access to professional advice to the extent necessary to enable the Subgrantee to fully comply with the terms of the Grant Documents; and (b) the Subgrantee has the full power and authority to execute the Grant Documents.

ARTICLE V - CONDITIONS PRECEDENT TO EACH DISBURSEMENT

The obligation of the Authority to make any disbursements under the Agreement is subject to all of the following conditions:

Section 5.1 – EVENT OF DEFAULT. There shall not exist an Event of Default, as defined in this Agreement, and there shall exist no event, omission, or failure of condition, which, after notice of lapse of time, would constitute an Event of Default, as defined in this Agreement.

Section 5.2 – DOCUMENTATION. The Subgrantee shall deliver to the Authority in form and substance satisfactory to the Authority this Agreement and any other documents required by the Authority prior to beginning monthly disbursements, and no later than September 30, 2018.

Additionally, the Subgrantee shall deliver to the Authority in form and substance satisfactory to the Authority any documents required by the Authority to verify continued eligibility prior to beginning each semi-annual disbursement cycle, no later than February 28 and August 31 of each year.

Section 5.3 – CERTIFIED RESOLUTION. This Agreement shall be accompanied by a certified resolution from the Subgrantee's governing body authorizing its execution (See Exhibit C hereof).

Section 5.4 – FUNDING CONDITIONS. The Subgrantee has met all terms and conditions of funding in accordance with the Regulations and the Authority's Funding Resolution.

Section 5.5 – TERMS OF COMMITMENT. In the event the Subgrantee has not fulfilled all terms and conditions precedent set forth in this Article IV within thirty (30) days of the

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Subgrantee's execution of this Agreement, the Authority's obligation under this Agreement shall automatically terminate, unless at the Authority's discretion, the time period is extended in writing.

ARTICLE VI – GRANT DISBURSEMENT PROCEDURES

Section 6.1 – DISBURSEMENT PROCEDURES. Disbursements of the Grant shall not commence until this Agreement is executed by all parties and the requirements of the Authority are satisfied. Disbursements of the Grant shall only be applied for the Eligible Costs of Project as set forth by the Authority and subject to the Authority's Funding Resolution. Pursuant to Section 10186 of Program Regulations, the Subgrantee shall obtain prior written authorization from the Authority for any change in the use of Grant funds.

Any unspent Grant funds and unspent investment earnings shall immediately revert to the Authority.

Section 6.2 - DISBURSEMENT PROCESS. The Subgrantee may request disbursement of Grant funds up to, but not exceeding, its total Grant award in accordance with the Eligible Costs set forth by the Authority. Only one disbursement request per month will be allowed against the Grant. In order to maintain eligibility to receive disbursements, requests for disbursement and verification of continued eligibility must be submitted during February and August of each year, or more often as disbursements may be requested, and must be supported by documentation sufficient in the Authority's determination to support payment. Subgrantee must provide all documentation verifying Eligible Costs sufficient to allow disbursement of an annual portion (one-third) of the full award on or before August 31st of each year as described in Section 5.2 above. The Authority shall use its best efforts to respond to a disbursement request within thirty (30) business days after the receipt of such disbursement request. The request for disbursement must contain at least the information in substance and form of Exhibit B attached hereto and shall include:

- a copy of the prime construction contract including the clauses prescribed in 29 C.F.R. Subtitle A Part 5.5;
- the most recent Application and Certificate for Payment (Signed by the prime contractor/construction management company and notarized by a notary public);
- Updated Continuation Sheet (Completed by the prime contractor/construction management company and attached to the Application and Certificate for Payment);
- Any Change Orders (Provided by the prime contractor/construction management company); and
- Statement of Compliance (form WH 348) required by all vendors (contractor or subcontractors) providing labor.

The Subgrantee shall not receive a disbursement until the Subgrantee corrects any deficiencies or discrepancies to the satisfaction of the Authority.

Incomplete documentation of annual Eligible Costs due each August will cause the Subgrantee to forfeit the undisbursed portion of the annual award (one-third of the full award), for the respective annual period.

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Pursuant to section 10185 of Program Regulations, the Subgrantee shall provide verification that the Project has been initiated within one year of the award date and shall annually provide sufficient documentation to approve disbursement equal to each year's award. The Subgrantee also shall provide semi-annual progress reports to the Authority.

Funds are to be applied toward current costs at the time of disbursement and/or during the specified funding period; therefore, a delay in the processing of any disbursement may result in a loss of Grant funds. Grant funds may not be applied retroactively.

The Subgrantee's expenditure of Grant funds for uses not described in the Subgrantee's Application or the request for disbursements which deviate, without Authority authorization, in any category from the approved uses of Grant proceeds listed in the Commitment Letter and subject to the Authority's Funding Resolution, may result in the suspension of subsequent Grant disbursements and may be deemed by the Authority to constitute an Event of Default hereunder. The amount of all ineligible Grant expenditures shall be immediately repaid to the Authority.

If it is determined that funds are used for costs other than Eligible Costs, the Authority may suspend subsequent Grant disbursements. If warranted, the Authority may take action consistent with Article VIII of this Agreement.

Section 6.3 – AMOUNT OF DISBURSEMENT. Grant proceeds shall be disbursed up to the amount authorized under this Grant Agreement and only for Eligible Project Costs. Any unused Grant funds shall revert to the Authority.

Section 6.4 – DISBURSEMENT PERIOD. The initial disbursement of Grant proceeds shall be made no later than September 30, 2018 upon fulfillment of all requirements; and all Grant disbursements shall be disbursed no later than August 31, 2022. Consistent with Title 34, Code of Federal Regulations (CFR), Part 80 and 31 CFR Part 205, the Subgrantee must minimize the amount of time elapsing between the transfer of Grant funds and the disbursement of Grant funds to a reasonable time period (i.e. three days of the drawdown), such that the disbursements shall be paid out within three days of receipt.

ARTICLE VII – AFFIRMATIVE COVENANTS

Section 7.1 – CERTIFICATE OF COMPLETION. Upon disbursement of Grant funds, the Subgrantee shall certify to the Authority that the Project is complete, and shall provide a final report that sets forth the use of the funds, in letter format or as otherwise requested by the Authority, and shall include all information with supporting documentation as described in section 10189 of the Regulations.

The final report shall be completed and two (2) printed copies shall be submitted to the Authority no later than sixty (60) days after the final disbursement of Grant funds, unless the time period is extended at the Authority's discretion.

Section 7.2 – LEGAL COMPLIANCE. The Subgrantee shall comply with the Authority's Regulations and all Federal requirements, as such may be amended from time to time

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throughout the Grant Period. These federal requirements include Section 5205 of the Elementary and Secondary Education Act; 34 CFR Part 226, when enacted, and 34 CFR sections 75.525, 75.600-617, and 80.36, pertaining to the State Charter School Facilities Incentive Grants Program.

The Subgrantee is responsible for continued and uninterrupted compliance with all Grant Program requirements.

Section 7.3 – ACCOUNTING RECORDS. The Subgrantee shall maintain an accounting system that accurately reflects fiscal transactions, with necessary controls and safeguards. This system shall provide an audit trail, including original source documents such as lease agreements, contracts, bidding procedures, receipts, progress payments, invoices, etc. related to the Project. The system also shall provide accounting data so the total cost of the facilities can be readily determined. These records shall be retained for a period of three years after submission of the certificate of completion and final report to the Authority or three years after the end of the funding period, whichever is longer. Such books and accounts shall be available for audit and/or review upon request by the Authority, the Bureau of State Audits, and the U.S. Department of Education.

Section 7.4 – LITIGATION. The Subgrantee shall promptly notify the Authority in writing of any administrative action or litigation, pending or threatened, by or against the Subgrantee or otherwise related to the Project or Subgrantee. For purposes of this item, the term "Subgrantee" shall include the charter school, the parent company of the charter school, and any subsidiary of the charter school if the subsidiary is involved in or will be benefited by the Grant or the Project. In addition to each of these entities themselves, the term "Subgrantee" shall also include the direct and indirect holders of more than ten percent (10%) of the ownership interests in the entity, as well as the officers, directors, principals, and senior executives of the entity if the entity is a corporation, the general and limited partners of the entity if the entity is a partnership, and the members or managers of the entity if the entity is a limited liability company.

Section 7.5 - NOTICE TO AUTHORITY. The Subgrantee shall:

- (a) Promptly notify the Authority in writing of any uninsured or partially uninsured loss related to the Project through fire, theft, liability, or otherwise in excess of an aggregate of two thousand five hundred dollars (\$2,500).
- (b) Notify the Authority if the Subgrantee is not in good standing or the Subgrantee's charter is not renewed, or is revoked, or placed on probation at any time during the Grant Period, within 30 (thirty) days of receipt of notification of such action, including providing the Authority with a copy of the document provided by the chartering entity notifying the charter school of such action.
- (c) Notify the Authority, within 30 (thirty) days, of any material changes to the Subgrantee's facilities, enrollment, charter status, nonprofit status, financial condition, or scope of the Project that occurs between the time of application and the time the Subgrantee's final report is accepted by the Authority.
- (d) Notify the Authority immediately if the facility subject to this Agreement is no longer operating as a charter school or if the number of students attending school at the facility decreases by 20 percent.

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Section 7.6 – RELEASE. The Subgrantee hereby waives all claims and recourse against the Authority including, but not limited to, the right to contribution for loss or damage to persons or property arising from, growing out of, or in any way connected with or incident to this Agreement, the Subgrantee's use of the Grant proceeds, the Subgrantee's business operations, or the Project. The provisions of this section shall survive the termination of this Agreement.

Section 7.7 – INDEMNIFICATION. The Subgrantee shall defend, indemnify and hold harmless the Authority, the State, and the Federal Government/U.S. E.D., and all officers, trustees, agents, and employees of the same, from and against any and all claims, losses, costs, damages, or liabilities of any kind or nature, whether direct or indirect, arising from or relating to the Grant, the Project, or the State Charter School Facilities Incentive Grants Program. The provisions of this section shall survive termination of this Agreement.

Section 7.8 - NON-DISCRIMINATION CLAUSE. The Subgrantee and its contractors and subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religion, creed, national origin, culture, physical disability (including HIV and AIDS), mental disability, medical condition (cancer or genetic characteristics), sexual orientation, political affiliation, position in a labor dispute, age, marital status, and denial of statutorily-required employment-related leave. The Subgrantee and its contractors and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. The Subgrantee and its contractors and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, title 2, section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, section 12990 (a-f), set forth in chapter 5 of division 4 of title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. The Subgrantee and its contractors and subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

ARTICLE VIII - NEGATIVE COVENANTS

The Subgrantee further covenants that so long as this Agreement is in effect, the Subgrantee will not, without prior written consent of the Authority:

Section 8.1 - USE OF FUNDS. Use any Grant proceeds for purposes other than as described in Exhibit E and approved by the Authority, the request for disbursement, or requirements of the Grant Program.

Section 8.2 – CHANGE IN PROJECT. Make any material change to the Project as described in Exhibit E or any of the Grant Documents, without prior written authorization of the Authority. Material changes may include, but are not limited to, a reduction of 20 percent in the number of students attending school at the facility subject to the Agreement, or a change in the lessor or lessee of the facility during the term of the Agreement.

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ARTICLE IX – DEFAULT AND REMEDIES

Section 9.1 - EVENTS OF DEFAULT. Each of the following shall constitute an Event of Default under this Agreement:

- (a) Any representation or warranty made by the Subgrantee, or anyone acting on its behalf, hereunder or under any of the Grant Documents, is incorrect in any material respect; or
- (b) The Subgrantee's failure to perform or abide by any term or condition of this Agreement (including all requirements and covenants in Articles III through VII herein) or other Grant Documents, or comply with any other agreements between the Subgrantee and the Authority relating to this Grant; or
- (c) Any substantial or continuous breach by the Subgrantee of any material obligations of the Subgrantee imposed by any agreements other than the Grant Documents with respect to the Grant; or
- (d) Failure to use the funds for the approved purposes and under the requirements of the Grant Documents.
- (e) Failure to maintain continued compliance with each of the requirements for eligibility, as they may be amended, for the length of time the Project will be assisted by the Grant Program.

Section 9.2 - NOTICE OF SUBGRANTEE'S DEFAULT AND OPPORTUNITY TO CURE. The Authority shall give written notice to the Subgrantee of any Event of Default by specifying:

- (a) The nature of the event or deficiency giving rise to the Event of Default,
- (b) The action required to cure the Event of Default, if an action to cure is possible, and
- (c) A date, which shall not be less than thirty (30) calendar days from the mailing of the notice, by which such action to cure must be taken, if an action to cure is possible, provided, however, except with respect to a monetary Event of Default, so long as the Subgrantee has commenced to cure within such time, then the Subgrantee shall have a reasonable period, as determined by the Authority, thereafter within which to fully cure the Event of Default.

Section 9.3 – REMEDIES. In an Event of Default, the Authority may pursue any remedy available to it in law or in equity, including, but not limited to, forfeiture and return of all Grant funds and any accrued interest.

ARTICLE X – MISCELLANEOUS

Section 10.1 – AMENDMENTS. This Agreement may be amended, changed, or modified in writing signed by the Subgrantee and the Authority.

Section 10.2 - ENTIRE AGREEMENT. This Agreement, together with all agreements and documents incorporated by reference herein, constitutes the entire Agreement of the parties

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and is not subject to modification, amendment, qualification, or limitation except as expressly provided herein.

Section 10.3 – NOTICES. Unless otherwise expressly specified or permitted by the terms hereof, all notices, consents or other communications required or permitted hereunder shall be deemed sufficiently given or served if given in writing, mailed by first-class mail, postage prepaid and addressed as follows:

- (i) If to the Subgrantee:
Attention:

- (ii) If to the Authority:
Attention: Katrina Johantgen, Executive Director
California School Finance Authority
300 South Spring Street, Suite 8500
Los Angeles, CA 90013

Section 10.4 – COUNTERPARTS. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one instrument.

Section 10.5 – GOVERNING LAW, VENUE. This Agreement shall be construed in accordance with and governed by the Constitution and laws of the State of California applicable to contracts made and performed in the State of California. This Agreement shall be enforceable in the State of California and any action arising hereunder shall (unless waived in writing by the Authority) be filed and maintained in Sacramento, Sacramento County, California.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in day and year first hereinabove written.

[School]:

By: _____ Date: _____
Signature
Print Contact Name, Contact Title: _____

CALIFORNIA SCHOOL FINANCE AUTHORITY:

By: _____ Date: _____
Katrina Johantgen, Executive Director

Certified Board Resolution Sample

****Please note Board Resolution must be returned on school's letterhead****

Certificate of Resolution Adopted by Board of Directors

The undersigned certifies that:

1. I am the President of the Board of Directors of [REDACTED] a California nonprofit public benefit corporation.

2. [REDACTED] has the authority to act on behalf of [REDACTED] [REDACTED] one of the charter schools that it operates.

3. On August 19, 2015, the [REDACTED] Board of Directors unanimously accepted the terms and conditions of the California School Finance Authority State Charter School Facilities Incentive Grant Program (CFDA #84.282D) Grant Agreement Number [REDACTED] ("The Grant Agreement") on behalf of itself and [REDACTED]

4. The Board President and Executive Director of [REDACTED] are each individually authorized to execute The Grant Agreement and any and all additional documents and filings related to same, including but not limited to its finalization, the disbursement of funds and the management of The Grant Agreement.

I declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of my own knowledge.

Date: 8.20.15

[REDACTED]
[REDACTED] Board President

**Initial Certification and Request for Disbursement of Grant Proceeds Sample
(returned with signed grant agreement)**

CALIFORNIA SCHOOL FINANCE AUTHORITY
STATE CHARTER SCHOOL FACILITIES INCENTIVE GRANTS PROGRAM (CFDA #84.282D)
GRANT AGREEMENT NUMBER [REDACTED]

Exhibit B

TEMPLATE REQUEST FOR DISBURSEMENT OF GRANT PROCEEDS

[Date of Request]

Katrina Johantgen,
Executive Director
California School Finance Authority
300 S. Spring Street Suite 8500
Los Angeles, CA 90013-

Dear Ms. Johantgen:

RE: Certification and Request for Disbursement of Grant Funds for [REDACTED]
(Subgrantee)

This is to request a disbursement of \$ _____, under the State Charter School Facilities Incentive Grants Program (CFDA 84.282D) as allowed by the Grant Documents.

I hereby certify and attest to each of the following for the current period through February 28, 2016:

1. The Subgrantee will continuously meet all eligibility requirements listed in Program regulations during this semi-annual disbursement cycle (Cal Code Regs., title 4, §10177).
2. Disbursements from the California School Finance Authority to the Subgrantee shall be directed to the attention of [REDACTED] at the Subgrantee's official address, on file with the Authority.
3. Grant funds will be applied toward the eligible Construction costs of a charter school facility for [REDACTED] a California charter school, Charter No. [REDACTED], CDS Code No. [REDACTED], currently operating at [REDACTED] as described in the school's project proposal.
4. None of the costs for which this disbursement is requested have been paid previously.
5. The laborer wages included in this disbursement have met the prevailing wage requirements of the Davis-Bacon Act.
6. These disbursements will not be used to pay for prior costs, nor will they be used to pay for a facility receiving funds under the Charter School Facilities Program.
7. Each disbursement will be expended within three days, or the amount of time between transfer of funds and disbursement will be minimized, as determined by the United States Department of Education.
8. Interest will not be earned on these federal funds.
9. The Subgrantee will comply with the Federal A-133 audit requirements and will provide the Authority a copy of the single or program-specific audit as when available (www.whitehouse.gov/omb/circulars/a133/a133.html).

Insert Official signature and signature block.

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: N/A

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: N/A

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: [REDACTED]

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

 [REDACTED]
Signature of Principal, CEO, or Lead Administrator

 2/12/16
Date

Print or Type Name: [REDACTED]

 [REDACTED]
Signature of President or Chair of Governing Board

 2/12/16
Date

Print or Type Name: [REDACTED]

System for Award Management Registration

The System for Award Management (SAM) is the database for Federal procurement.

The US Department of Education requires the grantee be active in SAM. Grantees inactive or not listed must register with SAM.

Steps:

1. Go to the SAM website: <https://www.sam.gov/>
2. Create an Account if not registered
3. Log In and accept usage agreement
4. The School should receive a confirmation email similar to the item below, which includes the DUNS number and CAGE number
5. Submit this documentation to the Authority

Please note the following:

- Parent organizations can register on behalf of all schools they manage
- SAM registration is valid for a one-year period and must be updated annually

System for Award Management (SAM) Registration Sample

Registration Activated for [REDACTED] [Inbox](#) x

samadmin@sam.gov via [REDACTED] 3:48 PM (0 minutes ago)
to [REDACTED]

This email was sent by an automated administrator. Please do not reply to this message.

Dear [REDACTED]

Congratulations! The registration for [REDACTED] is now active in the U.S. federal government System for Award Management (SAM). If you did not provide a CAGE code during the registration process, one has been assigned and is provided above.

You are now eligible for contracts, assistance awards, and to do business with the federal government as determined by your Entity profile. Important: The Periodic Update Requirement Date for the registration is 01-JUN-18. You must renew the registration by this date to remain active.

In addition, you may continue to invite additional users by following the below steps:

- * Login to SAM using a valid Username and Password
- * Select "Manage Entity Users" from the left-hand navigation menu
- * Select "Invite User" from the left-hand navigation menu
- * Select the desired Entity
- * Provide invitee's email address
- * Assign Role(s) to be associated with the user account
- * Click Submit

All invitees will receive an email message from SAM with instructions on how to complete the process.

For assistance, please contact the Federal Service Desk at www.fsd.gov or by telephone at 866-606-8220 (toll free) or at 334-206-7828 (internationally).

Entity Overview

Entity Information
NAME: [REDACTED]
Business Type: US Local Government
POC Name: [REDACTED]
Registration Status: Submitted
Registration passed IRS Consent validation.

Exclusions
Active Exclusion Records? No

System for Award Management (SAM) Registration Quick Guide



Quick Start Guide for Entities Interested in Being Eligible for Grants



How to register your entity to be eligible for GRANTS in SAM:

Before you register, you need to know the following:



What is an Entity?

In SAM, your company/business/organization is now referred to as an "Entity".

- **REGISTERING IN SAM IS FREE.**
- If you were registered in CCR, your company's information is already in SAM. You just need to set up a SAM account. See the "Migrating Roles" Quick Start Guide.



Your Entity's DUNS Number

You need a DUNS to register your entity in SAM.

- If you do not have a DUNS number, you can request a DUNS number for free by visiting D&B at <http://fedgov.dnb.com/webform>
- It takes 1-2 business days to obtain a DUNS.



Your Entity's Taxpayer Identification Number (TIN)

You need your entity's Tax ID Number (TIN) and taxpayer name (as it appears on your last tax return). Foreign entities that do not pay employees within the U.S. do not need to provide a TIN.

- A TIN is an Employer Identification Number (EIN) assigned by the Internal Revenue Service (IRS).
- Sole proprietors may use their Social Security Number (SSN) assigned by the Social Security Administration (SSA) if they do not have a TIN, but please be advised it will not be treated as privacy act data in SAM.
- To obtain an EIN visit: www.irs.gov/businesses/small/article/0,,id=102767,00.html
- Activating a new EIN with the IRS takes 2-5 weeks.



Steps For Registering Your Entity in SAM

1. Go to www.sam.gov
2. Create a Personal Account and Login
3. Click "Register New Entity" under "Manage Entity" on your "My SAM" page
4. Select your type of Entity
5. Select "No" to "Do you wish to bid on contracts?"
6. Select "Yes" to "Do you want to be eligible for grants and other federal assistance?"
7. Complete "Core Data"
 - ✓ Validate your DUNS information
 - ✓ Enter Business Information (TIN, etc.)
 - ✓ Enter CAGE code if you have one. If not, one will be assigned to you after your registration is completed. Foreign registrants must enter NCAGE code.
 - ✓ Enter General Information (business types, organization structure, etc)
 - ✓ Financial Information (Electronic Funds Transfer (EFT) Information)
 - ✓ Executive Compensation
 - ✓ Proceedings Details
8. Complete "Points of Contact"
9. Your entity registration will become active after 3-5 days when the IRS validates your TIN information.

How do I get more information? Take a look at the SAM User Guide.



Go to Our Website: www.sam.gov



Contact the SAM Help Desk: www.fsd.gov



System for Award Management Renewal Guide



Quick Start Guide for Updating/Renewing an Entity

Helpful Information

What is an Entity

In SAM, your company/business/organization is now referred to as an "Entity."

Viewing Your Entity Record

How you view your entity record depends on several factors

- If you chose to make your record public, you can view your entity record by going to www.sam.gov and searching for your DUNS number or Entity Name
- If your record is available in the public search, but expired, you can view it by searching for your entity by DUNS number or Entity Name, clicking on the "Inactive" box, and clicking the "Apply Filters" button
- If you opted out of the public search, log into SAM, migrate your roles, and then click on "Register/Update Entity" and "Complete Registrations" to view your record

Requirements for Submitting Your Registration

- To submit your update, you must review the entire record in one sitting
- Review each page, validating the accuracy of the content
- If your registration requires Repts & Certs (formerly ORCA), make sure you select the box certifying to the accuracy of the data on the "Review Repts & Certs" page

Steps for Updating/Renewing an Entity

1. Go to www.sam.gov and login with your SAM username and password
2. Click "Register/Update Entity" and then "Complete Registrations" (if you started your update earlier, click on "Incomplete Registrations")
3. In the Entity List panel, click on the Entity you want to update/renew
4. Click the Update Entity button in the "Registration Details" Panel
5. Complete Purpose of Registration (You only have to do this once)
6. Validate/Update "Core Data"
7. Validate/Update "Assertions" (not required to be eligible for Grants only)
8. Validate/Update "Representations and Certifications" (not required to be eligible for Grants only)
9. Validate/Update "Points of Contact", including optional POCs. If you no longer wish to have the optional POCs, please delete all data in these fields.
10. If you qualify as a small business, validate/update your information in SBA's Dynamic Small Business Search (DSBS) or apply for a small business certification on the "SBA Supplemental" page.
11. Click Submit

Please note if your update/renewal requires IRS or CAGE revalidation, it will take 3-5 business days for it to become active and replace your previous registration.

System for Awards Management
www.sam.gov

Need Additional Help
www.fsd.gov
toll free: 1.866.606.8220
international: 344.206.7828

Submitting Request for Disbursement

Required Documentation

Invoice Packages:

All invoice packages submitted for reimbursement must include the following:

- A signed *Certification and Request for Disbursement of Grant Proceeds* template letter on the school's letterhead. This letter will identify the school name, CDS code, project type, and amount of requested disbursement and certify the following:
 - All program eligibility requirements have been continuously met
 - Costs have been used for the project identified in the grant agreement
 - Submitted costs have not been paid previously
 - Davis-Bacon wage requirements have been met
 - Costs submitted will not be used to pay for costs incurred prior to the executed grant agreement date
 - Funds received will be expended within three days
 - Interest will not be earned on these federal funds
 - The Subgrantee has complied with the Federal OMB Uniform Guidance audit requirements (<https://obamawhitehouse.archives.gov/omb/circulars/>)
- Most Recent Application and Certificate for Payment (Signed by the prime contractor/construction management company and notarized by a notary public)
- Updated Continuation Sheet (Completed by the prime contractor/construction management company and attached to the Application and Certificate for Payment)
- Any Change Orders (Provided by the prime contractor/construction management company)
- Statement of Compliance (form WH 348) Required by all vendors (contractor or subcontractor providing labor) See Pages 48 - 51 for detailed Davis-Bacon Act requirements
- Invoice Summary Spreadsheet (an Excel spreadsheet that summarizes all costs submitted)
 - Completed by Subgrantee
 - Request via email

Purchase or Acquisition:

- A signed *Certification and Request for Disbursement of Grant Proceeds* template letter on the school's letterhead. This letter will identify the school name, CDS code, project type, and amount of requested disbursement and certify the following:
 - All program eligibility requirements have been continuously met
 - Identify school, CDS code, project type and amount of requested disbursement
 - Certify that submitted costs have not been paid previously
 - Davis-Bacon wage requirements have been met
 - Costs submitted will not be used to pay for prior costs
 - Funds received will be expended within three days
 - Interest will not be earned on these federal funds
 - The Subgrantee has complied with the Federal OMB Uniform Guidance audit requirements (<https://obamawhitehouse.archives.gov/omb/circulars/>)
- Signed, executed purchase agreement, purchase document, or title document
- Escrow account information
 - Escrow company
 - Escrow officer
 - Address
 - Escrow number

Sample Documents

**Certification and Request for Disbursement of Grant Proceeds Sample
(submitted with requests for disbursement)**

REQUEST FOR DISBURSEMENT OF GRANT PROCEEDS

December 17, 2015

Katrina Johantgen,
Executive Director
California School Finance Authority
915 Capitol Mall, Room 101
Sacramento, CA 98514

Dear Ms. Johantgen:

RE: Certification and Request for Disbursement of Grant Funds for [REDACTED]
(Subgrantee)

This is to request a disbursement of \$_110,633.45_, under the State Charter School Facilities Incentive Grants Program (CFDA 84.282D) as allowed by the Grant Documents.

I hereby certify and attest to each of the following for the current period through 02/28/2016.

1. The Subgrantee will continuously meet all eligibility requirements listed in Program regulations during this semi-annual disbursement cycle (Cal Code Regs., title 4, §10177).
2. Disbursements from the California School Finance Authority to the Subgrantee shall be directed to the attention of [REDACTED] at the Subgrantee's official address, on file with the Authority as [REDACTED].
3. Grant funds will be applied solely toward the renovation costs of the approved project for the charter school facility for [REDACTED], a California charter school, Charter No. [REDACTED] CDS Code No. [REDACTED] located at [REDACTED] is described in the subgrantee's grant agreement on file with the Authority.
4. None of the costs for which this disbursement is requested have been paid previously.
5. The laborer wages included in this disbursement have met the prevailing wage requirements of the Davis-Bacon Act.
6. These disbursements will not be used to pay for prior costs, nor will they be used to pay for a facility receiving funds under the Charter School Facilities Program.
7. Each disbursement will be expended within three days, or the amount of time between transfer of funds and disbursement will be minimized, as determined by the United States Department of Education.
8. Interest will not be earned on these federal funds.
9. The Subgrantee will comply with the Federal A-133 audit requirements and will provide the Authority a copy of the single or program-specific audit as when available (www.whitehouse.gov/omb/circulars/a133/a133.html).

Sincerely,
[REDACTED]

Invoice with Labor/Material Break-Out Sample

Invoice

[Redacted]

DIR # [Redacted]

To:

[Redacted]

Date
10/28/2015
Invoice #
[Redacted]

Project:

[Redacted]

P.O. #:

Terms	Net 30 1.8% Late
-------	------------------

Scope of Work	Rate	Quantity	Cost
Total Contract Amount	99,988.00		99,988.00
Material Costs		31,425.92	0.00
Prevailing Wages		28,428.56	0.00
Management hours		25,312.5	0.00
Budgeted Overhead	0.00	14,821.02	0.00
Scope of Work			
1. Excavate 1,825 sq. ft. of dirt.			
2. Remove approx. 6" of dirt and install 2" of base rock.			
3. Compact base rock and install wire mesh prior to installation of concrete.			
4. Pour concrete 4" thick and give it a light broom finish.			
5. Excavate approx. 9,125 sq. ft. of dirt.			
6. Excavate 8 - 10" and prep for turf.			
7. Install 4" of base rock, 2" of decomposed granite, and 2" of sand.			
8. Install new artificial turf over 9,125 sq. ft. of area.			
9. Alternate cost to remove and replace approx. 1,785 sq. ft. of sod with artificial grass			
See attached details			

[Redacted]

Amount Due

Office [Redacted] Cell [Redacted] Fax [Redacted]
 Email [Redacted]

Detailed Wage Report Sample

U.S. Department of Labor
Wage and Hour Division

PAYROLL

(For Contractor's Optional Use; See Instructions at www.dol.gov/whd/forms/wh347instr.htm)

Persons are not required to respond to the collection of information unless it displays a currently valid OMB control number.



OMB No.: 1235-0008
Expires: 02/28/2018

NAME OF CONTRACTOR OR SUBCONTRACTOR ADDRESS PROJECT AND LOCATION PROJECT OR CONTRACT NO.

PAYROLL NO. FOR WEEK ENDING

(1) NAME AND INDIVIDUAL IDENTIFYING NUMBER (e.g., LAST FOUR DIGITS OF SOCIAL SECURITY NUMBER) OF WORKER	(2) NO. OF WITHHOLDING DEDUCTIONS	(3) WORK CLASSIFICATION	(4) DAY AND DATE							(5) TOTAL HOURS	(6) RATE OF PAY	(7) GROSS AMOUNT EARNED	(8) DEDUCTIONS					(9) NET WAGES PAID FOR WEEK	
			O	M	T	W	T	F	S				FICA	WITH-HOLDING TAX	OTHER	TOTAL DEDUCTIONS			
																	HOURS WORKED EACH DAY		

While completion of Form WH-347 is optional, it is mandatory for covered contractors and subcontractors performing work on Federally financed or assisted construction contracts to respond to the information collection contained in 29 C.F.R. §§ 3.3, 5.5(a). The Copeland Act (40 U.S.C. § 3145) contractors and subcontractors performing work on Federally financed or assisted construction contracts to "furnish weekly a statement with respect to the wages paid each employee during the preceding week." U.S. Department of Labor (DOL) regulations at 29 C.F.R. § 5.5(a)(3)(i) require contractors to submit weekly a copy of all payrolls to the Federal agency contracting for or financing the construction project, accompanied by a signed "Statement of Compliance" indicating that the payrolls are correct and complete and that each laborer or mechanic has been paid not less than the proper Davis-Bacon prevailing wage rate for the work performed. DOL and federal contracting agencies receiving this information review the information to determine that employees have received legally required wages and fringe benefits.

Public Burden Statement

We estimate that it will take an average of 55 minutes to complete this collection, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. If you have any comments regarding these estimates or any other aspect of this collection, including suggestions for reducing this burden, send them to the Administrator, Wage and Hour Division, U.S. Department of Labor, Room S3502, 200 Constitution Avenue, N.W. Washington, D.C. 20210

(over)

Contractor/Subcontractor Davis-Bacon Certification Sample

Date _____

I, _____
(Name of Signatory Party) _____ (Title)

do hereby state:

(1) That I pay or supervise the payment of the persons employed by
 _____ on the
(Contractor or Subcontractor)
 _____; that during the payroll period commencing on the
(Building or Work)
 _____ day of _____, and ending the _____ day of _____,
 all persons employed on said project have been paid the full weekly wages earned, that no rebates have
 been or will be made either directly or indirectly to or on behalf of said
 _____ from the full
(Contractor or Subcontractor)

weekly wages earned by any person and that no deductions have been made either directly or indirectly
 from the full wages earned by any person, other than permissible deductions as defined in Regulations, Part
 3 (29 C.F.R. Subtitle A), issued by the Secretary of Labor under the Copeland Act, as amended (48 Stat. 948,
 63 Stat. 108, 72 Stat. 967; 76 Stat. 357; 40 U.S.C. § 3145), and described below:

(2) That any payrolls otherwise under this contract required to be submitted for the above period are
 correct and complete; that the wage rates for laborers or mechanics contained therein are not less than the
 applicable wage rates contained in any wage determination incorporated into the contract; that the classifications
 set forth therein for each laborer or mechanic conform with the work he performed.

(3) That any apprentices employed in the above period are duly registered in a bona fide apprenticeship
 program registered with a State apprenticeship agency recognized by the Bureau of Apprenticeship and
 Training, United States Department of Labor, or if no such recognized agency exists in a State, are registered
 with the Bureau of Apprenticeship and Training, United States Department of Labor.

(4) That:
 (a) WHERE FRINGE BENEFITS ARE PAID TO APPROVED PLANS, FUNDS, OR PROGRAMS

- In addition to the basic hourly wage rates paid to each laborer or mechanic listed in
 the above referenced payroll, payments of fringe benefits as listed in the contract
 have been or will be made to appropriate programs for the benefit of such employees,
 except as noted in section 4(c) below.

(b) WHERE FRINGE BENEFITS ARE PAID IN CASH

- Each laborer or mechanic listed in the above referenced payroll has been paid,
 as indicated on the payroll, an amount not less than the sum of the applicable
 basic hourly wage rate plus the amount of the required fringe benefits as listed
 in the contract, except as noted in section 4(c) below.

(c) EXCEPTIONS

EXCEPTION (CRAFT)	EXPLANATION

REMARKS:

NAME AND TITLE	SIGNATURE
THE WILLFUL FALSIFICATION OF ANY OF THE ABOVE STATEMENTS MAY SUBJECT THE CONTRACTOR OR SUBCONTRACTOR TO CIVIL OR CRIMINAL PROSECUTION. SEE SECTION 1001 OF TITLE 18 AND SECTION 231 OF TITLE 31 OF THE UNITED STATES CODE.	

**Signed, Executed Purchase Agreement Sample
(for purchase/acquisition only)**



**COMMERCIAL PROPERTY PURCHASE AGREEMENT
AND JOINT ESCROW INSTRUCTIONS
(NON-RESIDENTIAL)
(C.A.R. Form CPA, Revised 4/10)**

1. OFFER: _____ Date: _____
- A. THIS IS AN OFFER FROM** _____ ("Buyer").
 Individual(s), A Corporation, A Partnership, An LLC, An LLP, or Other _____.
- B. THE REAL PROPERTY TO BE ACQUIRED** is described as _____
 _____, Assessor's Parcel No. _____, situated in
 _____, County of _____, California, ("Property").
- C. THE PURCHASE PRICE** offered is _____ (Dollars \$ _____).
- D. CLOSE OF ESCROW** shall occur on _____ (date) (or _____ Days After Acceptance).
2. AGENCY:
- A. POTENTIALLY COMPETING BUYERS AND SELLERS:** Buyer and Seller each acknowledge receipt of a disclosure of the possibility of multiple representation by the Broker representing that principal. This disclosure may be part of a listing agreement, buyer-representative agreement or separate document (C.A.R. Form DA). Buyer understands that Broker representing Buyer may also represent other potential buyers, who may consider, make offers on or ultimately acquire the Property. Seller understands that Broker representing Seller may also represent other sellers with competing properties of interest to this Buyer.
- B. CONFIRMATION:** The following agency relationships are hereby confirmed for this transaction:
 Listing Agent _____ (Print Firm Name) is the agent
 of (check one): the Seller exclusively; or both the Buyer and Seller.
 Selling Agent _____ (Print Firm Name) (if not same
 as Listing Agent) is the agent of (check one): the Buyer exclusively; or the Seller exclusively; or both the Buyer and Seller.
 Real Estate Brokers are not parties to the Agreement between Buyer and Seller.
3. **FINANCE TERMS:** Buyer represents that funds will be good when deposited with Escrow Holder.
- A. INITIAL DEPOSIT:** Deposit shall be in the amount of _____ \$
 (1) Buyer shall deliver deposit directly to Escrow Holder by personal check, electronic funds transfer,
 Other _____ within 3 business days after acceptance
 (or Other _____);
 OR (2) (If checked) Buyer has given the deposit by personal check (or _____) to
 the agent submitting the offer (or to _____), made payable to
 _____ . The deposit shall be held uncashed until Acceptance and
 then deposited with Escrow Holder (or into Broker's trust account) within 3 business days after
 Acceptance (or Other _____).
- B. INCREASED DEPOSIT:** Buyer shall deposit with Escrow Holder an increased deposit in the amount of . . \$
 within _____ Days After Acceptance, or _____.
- C. LOAN(S):**
- (1) **FIRST LOAN** in the amount of _____ \$
 This loan will be conventional financing or, if checked, Seller (C.A.R. Form SFA), assumed
 (C.A.A. Form PAA), subject to financing, Other _____. This
 loan shall be at a fixed rate not to exceed _____ % or, an adjustable rate loan with initial
 rate not to exceed _____ %. Regardless of the type of loan, Buyer shall pay points not to
 exceed _____ % of the loan amount.
- (2) **SECOND LOAN** in the amount of _____ \$
 This loan will be conventional financing or, if checked, Seller (C.A.R. Form SFA), assumed
 (C.A.A. Form PAA), subject to financing, Other _____. This
 loan shall be at a fixed rate not to exceed _____ % or, an adjustable rate loan with initial
 rate not to exceed _____ %. Regardless of the type of loan, Buyer shall pay points not to
 exceed _____ % of the loan amount.
- D. ADDITIONAL FINANCING TERMS:** _____
- E. BALANCE OF PURCHASE PRICE OR DOWN PAYMENT** in the amount of _____ \$
 to be deposited with Escrow Holder within sufficient time to close escrow.
- F. PURCHASE PRICE (TOTAL):** _____ \$
- G. VERIFICATION OF DOWN PAYMENT AND CLOSING COSTS:** Buyer (or Buyer's lender or loan broker pursuant to 3H1) shall,
 within 7 (or _____) Days After Acceptance, Deliver to Seller written verification of Buyer's down payment and closing
 costs. (If checked, verification attached.)
- H. LOAN TERMS:**
 (1) **LOAN APPLICATIONS:** Within 7 (or _____) Days After Acceptance, Buyer shall Deliver to Seller a letter from lender
 or loan broker stating that, based on a review of Buyer's written application and credit report, Buyer is prequalified or preapproved
 for any NEW loan specified in 3C above. (If checked, letter attached.)

Buyer's Initials (_____) (_____)

Seller's Initials (_____) (_____)

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CPA REVISED 4/10 (PAGE 1 OF 10)

Reviewed by _____ Date _____



COMMERCIAL PROPERTY PURCHASE AGREEMENT (CPA PAGE 1 OF 10)

Agent:	Phone:	Fax:
Broker:		

Progress Billing

Progress billing will be approved for payment by the Authority. The Authority will retain a 10 percent retention on all progress billing submitted for payment. Retainage can be submitted for reimbursement upon completion of the scheduled work which shall be demonstrated to the Authority by submission of a Notice of Completion or Certificate of Occupancy.

As an example, a grantee submits an invoice that shows that 70 percent of the drywall work has been completed on a project for a total of \$10,000. The Subgrantee should ask for reimbursement of the entire \$10,000. The Authority will authorize a disbursement of \$9,000 to reimburse that cost and withhold \$1,000 as retention until project completion. When the Subgrantee can demonstrate the project has been completed (with submittal of a Notice of Completion or Certificate of Occupancy), the total amount withheld for retention will be reimbursed as part of the final disbursement.

Davis-Bacon and Related Acts Requirements

Background

All work performed requires compliance with Davis-Bacon and Related Acts (DBRA). DBRA is the Federal Law that requires all contractors and subcontractors (vendors) to pay laborers and mechanics the prevailing wage rate associated with their work classification.

The requirements of the DBRA applies to laborers and mechanics, which are those workers performing work that is physical and/or manual in nature (including those who use tools or who are performing the work of a trade), and employed by a vendor on the “site of the work,” and distinguished from mental or managerial work.

Responsibilities and Roles

The principal contractor (also referred to as the prime or general contractor) is responsible for the full compliance of all vendors (the contractor, subcontractors and any lower-tier subcontractors) with the labor standards provisions applicable to the project. Because of the contractual relationship between a principal contractor and his/her subcontractors, subcontractors generally should communicate with the charter school through the principal contractor. The principal contractor is also responsible for the maintenance and submission of associated invoices and payroll records to the school or CMO.

The school/CMO is responsible for providing the required documentation to CSFA to ensure costs are eligible for grant use and that all vendors are DBRA compliant. Invoice submissions are required with all disbursement requests. All invoice submissions should follow the methods prescribed in the CSFA desk guide for CSFIGP Invoice Schools.

CSFA and the school/CMO are responsible for the proper administration and enforcement of the Federal and State labor standards provisions on contracts covered by DBRAs. Both have the ability to monitor labor standards compliance by conducting interviews with construction workers at the job site and reviewing payroll reports, and overseeing any enforcement actions that may be required.

The Department of Labor/Department of Industrial Relations (DOL/DIR) also has a role in monitoring DBRA administration and enforcement as well. In addition, DOL/DIR have independent authority to conduct investigations. A DOL/DIR investigator or other DOL/DIR representative may visit construction sites to interview construction workers or review payroll information.

Prevailing Wage Determination

A prevailing wage determination is the listing of wage and fringe benefit rates for each classification of laborers and mechanics for which the Administrator of the Wage and Hour Division of the DOL has determined to be prevailing in a given geographical area for a particular type of construction (e.g., building, heavy, highway, or residential). The prevailing wage is the wage paid to the majority (more than 50 percent) of the laborers or mechanics in the classification on similar projects in the area during the same period. If the same wage is not paid to a majority of those employed in the classification, the prevailing wage shall be the average of the wages paid, weighted by the total employed in the classification. A wage

determination includes not only the original determination (or decision) but any subsequent determinations modifying, superseding, correcting, or otherwise changing the rates and scope of the original determination. Some wage decisions cover several counties and/or types of construction work and can be lengthy and difficult to read. Contact the California School Finance Authority, DOL, and DIR if encountering any difficulty with the wage decision or finding the work classification(s) needed.

Prevailing wage determinations are available online at the following websites:

- California Department of Industrial Relations – Director’s General Prevailing Wage Determinations: <http://www.dir.ca.gov/oprl/DPreWageDetermination.htm>
 - The website provides both general prevailing wage determinations and apprentice determinations. Please make sure that the area of school site construction is the area used for the wage determination (e.g. a project in Yorba Linda would use the prevailing wage determinations for Orange County)
- United States Department of Labor – Wage Determinations OnLine Program: <https://www.wdol.gov/dba.aspx>
 - The website provides a selection criteria based on project location. Please select the proper county and construction type “BUILDING”.

If there is a laborer/mechanic that does not fall into any of the classifications provided, the DOL has the ability to approve certain new classifications and provide a prevailing wage. Additional classifications and wage rates may be approved by DOL if:

- The classification is utilized in the area by the construction industry. (The area is usually defined as the county where the project is located).
- The work that will be performed by the requested classification is not performed by another classification that is already on the wage determination. (For example, in some localities the prevailing practice is that carpenters hang drywall. This would preclude conforming a rate for “drywall hangers”.)
- The proposed rate, including any fringe benefits, bears a reasonable relationship to the rates in the wage determination in the contract. (For example, the rate proposed for a skilled 13 classification such as electrician must be at least as much as the lowest rate for other skilled classifications that are already contained in the wage determination.)

If there is a need for additional classification and wage rates, please complete a Request for Additional Classification form which is found in the contractors guide and online at: <https://www.gsa.gov/portal/forms/download/115906>

Overtime:

Overtime hours are defined as all hours worked in excess of 40 hours in any workweek. Overtime hours must be paid at no less than one and one-half times the regular rate or basic pay plus the straight-time rate for any required fringe benefits. Vendors must total the hours worked by employees at multiple projects in the same workweek. DOL rules make overtime pay under Contract Work Hours and Safety Standards Act (CWHSSA) necessary if the combined hours on various government DBA/CWHSSA-covered contracts exceed 40

hours. The Fair Labor Standards Act, enforced by DOL, requires that overtime premiums be paid if the combined total for all work, both government and private, exceed 40 hours in the workweek.

Deductions:

Vendors may only make payroll deductions as permitted by DOL Regulations 29 CFR Part 3. Allowable deductions include employee obligations for income taxes, employee Social Security taxes, Medicare taxes, and other legal judgments such as garnishments or child support orders. Other deductions that are agreed to voluntarily by the employee and authorized in writing by the employee such as insurance premiums, retirement contributions, savings accounts, and pay advances may also be made.

Certified Payroll Reports:

Vendors need to submit a weekly certified payroll report beginning with the first week each company works on the project and for every week afterward until each firm has completed its work. It's always a good idea to number the payroll reports beginning with #1 and to clearly mark the last payroll for the project "Final."

- **Time Sheet**
Time Sheets contain the following information: a) Name of each worker; b) Employee identification number (e.g., the last four digits of the employee's social security number); c) Worker classification; d) Hourly rates of wages paid; e) Daily and weekly number of hours worked; f) Deductions (fringe benefits, etc.) made; and g) Actual wages paid. The standard form is DOL's WH-347. An example and blank copy of WH-347 can be found in the Appendix. Vendors may access a fillable version of the WH-347 online found at: <https://www.dol.gov/whd/forms/wh347.pdf>. The time sheet must be filled out completely and accurately to be considered valid.
- **Payroll Certifications**
These weekly payrolls are called certified because each payroll is signed and contains language certifying that the information is true and correct. A completed example and blank copy of the payroll certification form can be found in the Appendix.

If using another type of payroll format, vendors are still required to complete a certification form, or any other form which contains the same certification language. The certification form must be filled out completely and accurately to be considered valid.
- **Statement of Non-Performance**
Statement of Non-Performance may be submitted whenever there is a temporary break in work on the project, for example, if the firm is not needed on the project right now but will be returning to the job in a couple of weeks. However, if a vendor will not be working on the project for an extended period of time, the vendor manager may wish to send a short note to the contract administrator to let them know about the break in work and to give an approximate date of return to the project. A certified payroll report is not required for a week in which a contractor performs no work and therefore this form is optional but it is highly suggested as a best practice.

- Payroll review and submission

The principal contractor should review each subcontractor's payroll reports for compliance prior to submitting the reports to the school/CMO. Remember, the principal contractor is responsible for the full compliance of all subcontractors on the contract and will be held accountable for any wage restitution that may be found due to any laborer or mechanic that is underpaid and for any liquidated damages that may be assessed for overtime violations. All of the payroll reports for any project must be submitted to the school/CMO through the principal contractor and be accurately completed.

Curing Non-compliance

Failing to meet prevailing wage determinations is a violation of Program regulations (4 C.C.R., Div. 15, Art. 2, Sec. 10181(j)(2) & 10190(e)) as well the Grant Agreement (Art. VI, Sec. 6.2). To remedy this violation, the vendor(s) must issue back pay to bring the total of the wages paid to the prevailing wage determination. The vendor(s) must provide documentation in the form of a wage report and statement of compliance (form WH 347 attached) proving prevailing wages were paid. Authority staff will withhold all future disbursement until this violation has been remedied.

Grant Closeout Process

Completion of Grant Funded Construction Project

Per Program Regulations Section 10189, the Subgrantee must certify to the Authority that the project is complete and, to the extent not already provided to the Authority, provide supporting documentation as follows:

- Construction and renovation projects require documentation including, but not limited to, copies of the certificate of occupancy, final payment certification by the architect, final payment request from the contractor and corresponding copies of cancelled checks. If the subgrantee does not provide copies of cancelled checks, the subgrantee shall provide wire transfers, electronic fund transfers or other evidence acceptable to the Authority in lieu of copies of cancelled checks
- Photographs of the completed project must be submitted
- Real property acquisition projects require a copy of the final closing statement with certification by the title company, to be received by the Authority within 60 days of the disbursement of grant funds
- The Authority may conduct site visits to any charter school facility or project receiving a grant

Failure to complete the project within the approved project period may result in:

- Forfeiture and return of all grant funds and any accrued interest

Grant Close-Out Form Sample

STATE OF CALIFORNIA

CALIFORNIA SCHOOL FINANCE AUTHORITY

300 South Spring Street, Suite 8500
 Los Angeles, CA 90013
 Telephone: (213) 620-4467
 Fax: (213) 620-6309
 Katrina Johantgen
 Executive Director



MEMBERS:

John Chiang, Chair
State Treasurer

Tom Torlakson
Superintendent of Public Instruction

Michael Cohen
Director of Finance

School District/Owner:	CDS:	
Project Name/School:	Charter #	
From:		
Certificate of Occupancy: Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>		
Final Payment Certification by the Architect: Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>		
Final Payment Request From the Contractor: Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>		
The contractor shall complete the section below		
2. DESCRIPTION OF WORK	Date of Work Start/Completion	
NAME OF CONTRACTOR	SIGNATURE	DATE

Certificate of Occupancy Form – Sample

CERTIFICATE OF OCCUPANCY

1. CERTIFICATE NUMBER F - -
--

2. PROPERTY NAME		3. PROPERTY ADDRESS		4. CITY, STATE, ZIP CODE	
5. GSA PROJECT MANAGER			6. SPECIFIC AREA OF BUILDING FOR THIS CERTIFICATE		
7. APPROVED USES			8. PREVIOUS USES		
9. APPROVED OCCUPANCIES			10. PREVIOUS OCCUPANCIES		
11. TYPE: (Check One) New Construction <input type="checkbox"/> Renovation <input type="checkbox"/> Change of Occupancy <input type="checkbox"/>		12. OCCUPIED AREA		13. DESIGN OCCUPANT LOAD	
14. SPRINKLERS REQUIRED? Yes <input type="checkbox"/> No <input type="checkbox"/>	15. SPRINKLERS INSTALLED? Yes <input type="checkbox"/> No <input type="checkbox"/>	16. BUILDING CODE NAME AND EDITION		17. TYPE OF CONSTRUCTION	
18. DESCRIPTION OF USE					
19. SPECIAL STIPULATIONS OR CODE MODIFICATIONS					
This certificate ensures that all fire protection and life safety systems have been completed, inspected, successfully tested and approved for the specific area of the building specified above to provide a reasonable degree of safety to the occupants from fire and similar emergencies.					
20. NAME OF GSA APPROVING OFFICIAL		21. SIGNATURE		22. DATE	

THIS CERTIFICATE IS VALID ONLY FOR THE PREMISES OF THE PROJECT ADDRESS

Instructions for Completing the Certificate of Occupancy Form

Line 1 – Certificate Number: Begin with the letter "F" (for Final), followed by 8 digit GSA Building Number designation and certificate date (e.g., F-DC0031ZZ-01232006)

Line 2 – Property Name: List official building property name.

Line 3 – Property Address: List official property street address.

Line 4 – City, State, Zip Code: List official property city, state and zip code.

Line 5 – GSA Project Manager: List name of GSA Project Manager for this project.

Line 6 – Specific Area of Building for this certificate: List the specific area of the building where this certificate applies.

Line 7 – Approved Uses: List the approved uses for this building.

Line 8 – Previous Uses: List the previous uses for this building.

Line 9 – Approved Occupancies: List the occupancies approved for use in this building (for example, Business).

Line 10 – Previous Occupancies: List the occupancies previously used in this building (for example, Business).

Line 11 – Type: Check the appropriate box for New Construction, Renovation or Change of Occupancy

Line 12 – Occupied Area (Square Feet): List the occupied area in gross square feet for the specific area of the building associated with this certificate.

Line 13 – Design Occupant Load: List the maximum number of occupants permitted by Code for the specific area of the building associated with this certificate. If the certificate is for a building with multiple areas/floors; provide the maximum number of occupants permitted by Code for each specific area/floor associated with this certificate.

Line 14 – Sprinklers Required: Check the appropriate box indicating whether sprinklers are required (Yes or No).

Line 15 – Sprinklers Installed: Check the appropriate box indicating whether sprinklers have been installed (Yes or No).

Line 16 – Building Code Name and Edition (at the time of contract award): List the applicable building code and respective edition in effect at the time of contract award (for example, 2006 ICC).

Line 17 – Type of Construction: List the type of building construction in accordance with the applicable building code (for example, Type IA).

Line 18 – Description of Use: Discuss how all portions of the building will be used.

Line 19 – Special Stipulations or Code Modifications – list any special stipulations or code modifications

Line 20 – Name of the GSA Approving Official: Identify the name of the GSA Approving Official (the GSA Regional Fire Protection Engineer).

Line 21 – Signature: The GSA Approving Official is to provide a signature.

Line 22 – Date: Date that the certificate was signed.

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