



UTAH STATE BOARD OF EDUCATION

David L. Crandall, Chair David L. Thomas, Vice Chair

Dixie L. Allen
Kim R. Burningham
Keith M. Buswell
Leslie B. Castle
Barbara W. Corry

Dan Griffiths
Heather Groom
Michael G. Jensen
Jennifer A. Johnson

Jefferson Moss
C. Mark Openshaw
Debra G. Roberts
Teryl Warner

Brad C. Smith, Chief Executive Officer
Lorraine Austin, Board Secretary

MEMORANDUM

TO: Members, Utah State Board of Education

FROM: Brad C. Smith
Chief Executive Officer

DATE: December 5, 2014

ACTION: Loan Recommendation from the Charter School Revolving Account Committee

Background:

Legislation (UCA 53A-1a-522) created a committee to review and make recommendations regarding loans to charter schools. The State Board of Education is charged with approving loans to charter schools specifically to pay for the costs of: (a) planning expenses; (b) constructing or renovating charter school buildings; (c) equipment and supplies; or (d) other start-up or expansion expenses. The Charter School Revolving Account Committee developed the criteria and a loan application process. Loans may be distributed at a maximum of \$2,000,000 per fiscal year.

Key Points:

The Charter School Revolving Account Committee recommends a revolving loan to Vanguard Academy for \$136,000.

Anticipated Action:

The Law and Licensing Committee will consider approving the Charter School Revolving Account Committee's loan recommendation. If approved by the Committee, the Board will consider issuing a loan for Vanguard Academy.

Contact: Bruce Williams, 801-538-7514
Marlies Burns, 801-538-7817

CHARTER SCHOOL REVOLVING LOAN FUND ACCOUNT
Utah State Board of Education

The State Board of Education is charged with approving loans to Charter Schools per Utah Code Annotated §53A-1a-522. Charter schools may use such funds to meet school building construction and renovation needs, and to pay for expenses related to the start-up of a new charter school or the expansion of an existing charter school. Loans to new charter schools or charter schools with urgent facility needs may be given priority; "new school" means any charter school through the first day of its second year of operation with students, or a satellite school that requires a new location or campus. Schools not fitting this definition of "new" may use funds only for constructing or renovating charter school buildings.

This summary report shall be completed by the Committee and submitted to Bruce Williams, Associate Superintendent, Utah State Office of Education, two weeks prior to the regularly scheduled USBE meetings for approval and inclusion in the board's agenda materials. Only that which is in writing, and included in the agenda materials, shall be considered by the USBE in its final approval process. Attachments, by way of clarification, or elaboration, may be included.

1. Charter School Vanguard Academy
2. Mailing Address 6933 S 1300 W Phone 801-327-8735
3. City West Jordan County Utah
4. This is a school located in an area: () Rural (X) Urban
5. Chief School Officer: Jonie Jenkins Phone 801-327-8735
6. The charter school is located in which school district? Granite
7. Recommended loan amount? \$136,000 (Loan Committee)
8. Purpose: Improvement of building infrastructure (see detailed list below)
 - Professional and Technical Services \$20,000
 - Other Purchased Services \$6,600
 - Property and Equipment \$110,000
9. Authorized enrollment 375
10. Summary description of Committee discussion on school?

The committee had some questions related to their second year budget, but were clarified after further discussion.
11. What specific conditions or concerns did the Committee place on the school in order to recommend full approval of this loan?

The Committee recommended that Vanguard Academy receive the full amount requested in a

three tier distribution.

12. Please provide a brief summary of other points the Committee would like the Utah State Board of Education to consider in making the decision to approve the loan.

None

13. The Revolving Loan Fund Committee Members voted unanimously to recommend the State Charter School Board approve and recommend this charter school loan application. Voting members in attendance for the November 5, 2014 meeting: Gavin Hutchinson (Chair), Sterling Orton
14. The State Charter School Board unanimously approved, by those in attendance, the application in its November 13, 2014 meeting and recommends a three tier distribution. The State Charter School Board had no specific concerns.