

Credit Enhancement

Credit enhancement is the act of improving the credit worthiness of an entity, often to improve its ability to secure a loan or lease for a facility.

District of Columbia funds. The Office of Public Charter School Financing and Support (OPCSF), which was established in 2003, administers a credit enhancement fund. These funds are available to public charter schools and non-profit organizations that provide appropriate certification that it is duly authorized by two or more public charter schools in the District of Columbia to act on their behalf in obtaining financing. All funds are administered by OPCSF, except that no grant or loan may be made without the approval of a committee described in section 603 (e)(3)(c) (iii) of the Student Loan Marketing Association Act of 1996 (20 U.S.C. 1155(e)(3)(iii)). This independent loan committee is comprised of five members; two members are appointed by the Mayor and three are appointed by the DC Public Charter School Board.

The Credit Enhancement Fund helps provide access to financing to District of Columbia public charter schools to acquire, renovate and construct school facilities by pledging collateral. The Fund also guarantees leases.

As of January 2005, the credit enhancement fund has credit enhanced ten charter school loans and funded nine direct loans to charter schools. This includes a \$45 million bond offering that is the largest bond deal for a charter school in the country. The total amount expended in both funds is \$16,646,000 leveraging \$87,890,000 from financial institutions.

Federal funds. The OPSCFS is responsible for administering a \$5,088,242 grant award from the U.S. Department of Education through the Credit Enhancement for Charter School Facilities grant program. The OPSCFS intends to use these funds to facilitate the issuance of a bond to fund a Public Charter School Facilities Incubation Demonstration Model.

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p. 18. Antk Wms facilities etc

Direct Loan Fund

The OPCSF also administers a Direct Loan fund that provides loans to construct, purchase, renovate, and maintain charter school facilities. These loans may not exceed \$2,000,000 per charter school. To be eligible for a loan under this fund, an applicant must be a public charter school with a charter in effect pursuant to the District of Columbia School Reform Act of 1995 that meets or exceeds its performance goals as outlined in its originating charter. A charter school may use facility maintenance funds granted to them by the District of Columbia Public Schools to repay these loans.

District of Columbia Revenue Bond Program

The District of Columbia Revenue Bond Program provides below market interest rate loans to help lower the cost of funds available for capital projects in several areas including elementary and secondary facilities. The program generates funds through the issuance and sale of District of Columbia revenue bonds, notes, or other obligations. Proceeds from the sale of tax-exempt issuances may be used to finance, refinance and reimburse costs of acquiring, constructing, restoring, rehabilitating, expanding, improving, equipping and furnishing real property, and related and subordinate facilities. Limitations may apply to the use of bond proceeds for the acquisition of land and the purchase of existing property, depending on the location of the site and type of applicant.

The Office of the Deputy Mayor administers the program for [Planning and Economic Development](#).

Preference to buy or lease

The District of Columbia provides charter schools with the "right of first offer" to purchase or lease DCPS' surplus school properties at below market rates, provided that doing so will not result in a significant loss of revenue that might be obtained from other

dispositions or use of the property. (See [§38-1802.09, District of Columbia Public School Services to Public Charter Schools](#).)

The District of Columbia has several laws that help charter schools obtain school facilities. These laws use different approaches in assisting charter schools with this need, including per-pupil facilities aid, credit enhancement, a direct [loan program](#), a bond program, and a preference for purchasing or leasing public school property.

Special Education

3019 CHARTER SCHOOLS

- 3019.1 Enrollment in a public charter school shall be open to all residents and wards of the District of Columbia regardless of disability or special needs. A public charter school in the District of Columbia may not deny enrollment or otherwise discriminate in its admissions policies or practices on the basis of a child's disability or status as a child with special needs, the child's need or potential need for special education services, supplementary aids or services, or any other accommodation.
- 3019.2 Pursuant to section 2202 of the District of Columbia School Reform Act of 1995, (School Reform Act) approved April 26, 1996 (P.L. 104-134; 110 Stat.1321; D.C. Code §38-1802.02(19) (2009 Supp.)), each public charter school shall elect to either:
- (a) Have the District of Columbia Public Schools serve as its local education agency (LEA) for purposes of the IDEA (a District Charter); or
 - (b) Be an independent local education agency (an LEA Charter).
- 3019.3 *Responsibilities of LEA Charters.* Each LEA Charter is responsible for compliance with all requirements applicable to an LEA under the IDEA and its implementing regulations (34 C.F.R. Part 300), and local laws, regulations, and policies, including, without limitation, the following:
- (a) *Least Restrictive Environment.* An LEA Charter shall ensure that, to the maximum extent appropriate, children with disabilities are educated with children who are non-disabled. Special classes, separate schooling, or other practices involving removal of children with disabilities from the regular education environment shall occur only if the nature or severity of the disability

is such that education in regular classes with the use of supplementary aids and services cannot be achieved satisfactorily.

- (b) *Evaluation and Reevaluation.* An LEA Charter shall evaluate and reevaluate enrolled children in accordance with the IDEA, District of Columbia law and regulations, and state policy.
- (c) *Special Education and Related Services.* An LEA Charter shall develop and implement an IEP for an eligible child within the timelines set by IDEA, District of Columbia law, regulations and state policy, and shall provide special education and related services consistent with that IEP.
- (d) *Statewide Assessments.* Consistent with Title 5-A, chapter A-23 of the DCMR, each LEA in the District of Columbia must ensure the participation of all of its children, including children with IEPs, in the statewide student assessments. In particular, an LEA Charter shall:
 - (1) Ensure that each of its District of Columbia resident children and wards, including those placed in a nonpublic school setting, participates in the annual state education agency (SEA)-approved statewide assessments, according to the procedures and guidelines issued by the OSSE.
 - (2) Administer the SEA-approved statewide alternative assessment only in the limited circumstances allowed under state guidelines and only to those children whose IEP specifically requires and deems the child eligible according to state guidelines for participation in the alternative assessment. Unless specifically required by a child's IEP an alternative assessment may not be substituted for the standard statewide assessment.
 - (3) Ensure that the statewide assessments are administered according to the state test security guidelines.
 - (4) Ensure that in the event a child enrolled in its school is placed in a nonpublic special education school under procedures set forth in this chapter, the child shall continue to participate in the statewide assessment. Consistent with the ESEA (20 U.S.C. §6311) and the District of Columbia's accountability workbook, the score of each LEA Charter child placed in a nonpublic school shall be included in the calculations used for the statewide assessment of the LEA Charter and the determination of adequate yearly progress for the LEA Charter.
- (e) *Policies and procedures.* An LEA Charter shall ensure that its special education policies and procedures are consistent with state policies and procedures established under federal regulations, including 34 C.F.R. §§300.101 through 300.163 and 34 C.F.R. §§300.165 through 300.174.

2003- # of Charters in ~~updated~~ class A facilities

Joe Harning was on the board when D. became ED - He was everyones support

2003-2004 - Joe Bruno began to develop financing for facilities.

Back office services

Partnership w/ OSSE - 2000

Incubator for start-ups

Commercial facilities

then DCPS facilities

manage facilities;

approved applications for every school

full management

Dawa, Florida

No political problems. BH has money

financial resources

Latin Am Bilingual

Armenians (Amos)

Fenty ignored Ch. Schools; gave CS

opportunity to work w/ City Council

* Research availability of buildings during

Fenty Admin.

Blake leasing not buying our philosophy

in 98-2000+

Nelson Smith

Ind. acc plans became unmanageable

Board was defining itself

agency hadn't been seen before, DC

agencies did not know what PCSB was

Socio/political environment

Ji's background as teacher; was credible w/

detractors who felt Bd was biased against

Board was very collegial.

pub-education

Board Discussions were not political

K Charas was a real skeptic - was political

opposition

provisional guards; etc - other agencies

did not grasp the role of PCSB

Letter to Ramona