

**BRIAN SANDOVAL**  
*Governor*

**STATE OF NEVADA**

**PATRICK GAVIN**  
*Executive Director*



**STATE PUBLIC CHARTER SCHOOL AUTHORITY**

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**BRIEFING MEMORANDUM**

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**TO:** SPCSA Board  
**FROM:** Patrick Gavin  
**SUBJECT:** Agenda Item 14—Futuro Academy Charter School Loan Program Application and Loan Agreement  
**DATE:** June 23, 2017

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**Background:**

The Account for Charter Schools, [NRS 388A.432](#) through [NRS 388A.433](#), was established in 2001 via [SB399](#). The Account was created to support a revolving loan fund for charter schools under the oversight of the State Board of Education. However, no general fund appropriations were made to support the program. In 2013, the Legislature provided general fund dollars to the Account and the Charter School Loan program in the Account for Charter Schools for the first time, appropriating \$750,000 into a [new budget account](#). [SB3](#) of the 2013 Special Session transferred responsibility for the Account for Charter Schools to the Authority and revised loan provisions to make the program more attractive to prospective borrowers. Following the initial round of loan applications, the State Board amended the regulations for the loan account on November 6, 2014 with the adoption of [R036-14A](#). Those regulations were approved by the Legislative Commission on December 23, 2014. This was followed in 2015 by the transfer of rulemaking authority to the SPCSA from the State Board and the clarification of additional provisions of the law with the passage of [SB509](#). The Authority subsequently approved revisions to the regulations governing the charter school loan program with the adoption of [R087-16A](#) at a hearing on November 4, 2016. Those regulations were approved by the Legislative Commission on December 21, 2016.

On March 15, 2017, the Authority received a loan application from Futuro Academy, a new start charter school sponsored by the Achievement School District. Futuro is also a recipient of the Charter Schools Program Grant from the Nevada Department of Education.

Futuro requests a loan in the amount of \$58,000 to provide cash flow assistance necessary to be able to fully access the federal grant. Based on staff's analysis and recommendation, the Authority

approved the loan at the April 28, 2017 board meeting. Authority members requested that the final loan agreement be brought back for consideration and possible approval at the June board meeting.

**Recommendation:**

Staff recommends approval of the attached loan agreement and that the document be executed by the Chair or acting chair effective today.