



CASH FLOW ADVANCE PROGRAM 2023-24

CASH ADVANCES FOR NEW CHARTERS

As a result of the state apportionment process, charters in their first year with the Charter SELPA will not generate state special education funding until February of 2024. Although CDE delays funding, a charter school is still responsible to provide special education services to students.

In order to mitigate the fiscal impact of this delay in first-year cash flow, El Dorado Charter SELPA has available a low-interest cash advance to charters new to the SELPA in 2023-24.

ADVANCE PROGRAM DETAILS

- Charters in their first year of membership in El Dorado Charter SELPA are eligible.
- Advance requests must be received by **Friday, October 6, 2023**.
- Advances will be made from the available balance in the Rate Protection Pool.
- 25% of estimated annual state funding (net of administrative fee and Rate Protection Pool contribution) is projected to be available for advances.
- Final advance amounts may be pro-rated based on the total amount requested and total amount available.
- Advance amount calculation: **(Preliminary 2023-24 ADA) x (\$830) x (25%)**

DOCUMENTATION REQUIRED

- Attendance data for the first 20 days of school in one of the following forms:
 - PENSEC report; or
 - Attendance software report.
- An executed Guarantee of Repayment detailing:
 - The amount of the advance.
 - The amount of interest to be paid.
 - An agreement to have the repayment plus interest deducted from the May and June apportionments.

FUNDING/INTEREST/REPAYMENT TERMS

- All cash advanced in one distribution on October 31, 2023.
- 3% annual interest rate (0.25% monthly).
- Interest is computed as follows:
 - 7 months on cash outstanding from 11/1/23 to 5/31/24
 - 1 month on remaining balance to 6/30/24.
- 50% of the advance plus outstanding interest to May 31st will be withheld from the May 2024 apportionment.
- The remaining balance plus interest to June 29th will be withheld from the June 2024 apportionment.
- If for any reason the Charter does not generate special education funding, the charter will be responsible for immediate repayment of funds to EDCOE.

APPLICATION PROCESS

- Any time before **October 6, 2022**, please send an email requesting participation in the Cash Advance Program to: charterselpabusiness@edcoe.org
- **For newly operational charters**, include the signed Charter School 20 Day Attendance Report ([Charter 20 Day](#)), which is due October 31, 2023, or an indication of when the Charter 20 Day report will be submitted.
- **For existing charters**, include projected P-2 ADA from the certified 2023-24 Adopted Budget.
- Upon confirmation of the submitted ADA, EDCOE will generate the guarantee of repayment for signature. The guarantee for repayment must be executed and received prior to **October 13, 2022**.

QUESTIONS

- Email: charterselpabusiness@edcoe.org or give us a call at (530) 295-2462.

