

ACHIEVEMENT DISTRICT FREQUENTLY ASKED QUESTIONS

WHO IS ELIGIBLE TO APPLY TO BECOME AN ACHIEVEMENT DISTRICT SCHOOL?

Any public district or charter K-12 school that has been designated an “A” rated school or the equivalent under any successor rating scheme and that meets the following requirements can apply:

- Has proven instructional strategies and curricula that demonstrate high academic outcomes
- Has a verifiable enrollment demand
- Has a sound financial plan
- Has demonstrated a commitment to assist an underperforming school in Arizona

HOW CAN AN APPLICANT COMPLY WITH THE REQUIREMENT TO ASSIST AN UNDERPERFORMING SCHOOL?

The underperforming school may not be affiliated – or in the same school district or charter system – as the applicant school. The commitment can either be existing or a future commitment, and the assistance can be in the form of teacher training, curriculum development, and/or business services.

WHY ARE “C” RATED SCHOOLS CONSIDERED UNDERPERFORMING SCHOOLS?

A decision was made that “C” rated schools still have room for improvement and would benefit from assistance from achievement district schools with proven strategies and techniques.

WHAT HAPPENS IF A SCHOOL RECEIVING ASSISTANCE FROM AN ACHIEVEMENT DISTRICT SCHOOL RECEIVES AN UPDATED RATING OF “B” OR ABOVE AND NO LONGER QUALIFIES AS AN UNDERPERFORMING SCHOOL?

While the achievement district school can continue working with that school, if an achievement district school wants to maintain its achievement district status, it would need to find another underperforming school to assist.

HOW DOES THE APPLICATION PROCESS WORK?

An applicant school will submit either an achievement district school or combined application to the Board electronically. Staff will review the application for administrative completeness and will inform the applicant of any application deficiencies within 30 days of submission. After an application has been deemed administratively complete, the Board will review the application

and either approve or disapprove the application at a Board meeting within 60 days following this determination of administrative completeness. Applicants will be notified of the Board's decision within 10 business days. Please click [here](#) for the application forms.

GUARANTEED FINANCING FREQUENTLY ASKED QUESTIONS

WHO IS ELIGIBLE TO APPLY FOR A GUARANTEED FINANCING?

Any achievement district school that is planning to issue bonds to provide funding for school improvement projects or to refinance existing bonds and that meets the other requirements set forth in A.R.S. § 15-2155 can apply for credit enhancement. Please see the program rules and application forms for additional information.

HOW DOES THE REQUIREMENT TO BE AN “A” RATED SCHOOL WORK?

Because applications for credit enhancement may be submitted by the district office or charter school management and not the individual schools, applications should designate the specific district or charter school that either meets the requirements for an achievement district school or that has been granted achievement district status as the applicant for credit enhancement. Similarly, if the credit enhancement would be used to finance the construction of a new campus, the application should designate as the applicant either an achievement district school or applicant that meets achievement district school requirements.

WHAT HAPPENS IF AN ACHIEVEMENT DISTRICT SCHOOL LOSES ITS “A” RATING AFTER IT IS AWARDED A GUARANTEED FINANCING?

In order to qualify as an achievement district school, the applicant needs to be “A” rated at the time the application is submitted and in order for the application to be approved. If an applicant is awarded credit enhancement but loses its “A” rating before the financing is completed, the applicant will may lose its credit enhancement. If the applicant loses its “A” rating after the bonds have been issued, the rating change won't impact the credit enhancement award.

DOES AN APPLICANT NEED TO OBTAIN A CREDIT RATING IN ORDER TO BE AWARDED A GUARANTEED FINANCING? IF SO, WHO MUST PAY FOR THE CREDIT RATING?

An applicant for credit enhancement may be required to obtain a credit rating for the underlying financing. The applicant must pay for all required credit ratings determined without regard to the guarantee provided by the Fund. A rating will be required on the Guaranteed Financing.

HOW IS THE PARTICIPATION FEE DETERMINED? ARE PARTICIPATION FEES FOR DISTRICT AND CHARTER SCHOOLS THE SAME?

Annual participation fees for each financing will be set by the Board in accordance with the requirements of A.R.S. § 15-2155(E). For charter schools, the minimum required annual participation fee is .25% of the outstanding principal amount of the guaranteed financing. For district schools, there is no required minimum participation fee and shall be as determined by the Board.

IF AN APPLICANT IS AWARDED A GUARANTEED FINANCING, HOW LONG DOES THE APPLICANT HAVE TO COMPLETE THE FINANCING?

Once an applicant is awarded a guaranteed financing, the applicant has 120 days, from the date of the Board's award notification letter to complete the financing. If the applicant needs additional time, the applicant may submit a written request to the Board for one 60-day extension that sets forth the reasons the extension is needed.

CAN A GUARANTEED FINANCING BE PART OF AN ENTERPRISE OR CROSS-COLLATERALIZED SYSTEM?

Yes, the Board can approve guaranteed financings that will be cross-collateralized with other existing debts and financings of the applicant.

CAN THE BONDS TO BE ISSUED UNDER A GUARANTEED FINANCING BE ISSUED BY ANY IDA, OR DOES A SPECIFIC IDA NEED TO BE UTILIZED?

Guaranteed financings can be issued by any IDA with authority to complete the financing.

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