

Responses to Next Step Questions:

Per your request, below please find responses for the requested information relating to the Coronavirus Aid, Relief, and Economic Security (CARES) Act funding and MPS charter schools.

- **How will funding impact MPS charter school budgets? What amendments or budget deviations have been reported as a result of relief funding?**

As of this date, MPS Department of Contracted School Services has not received any reports of deviations or amendments to budgets resulting from relief funding. It is anticipated that any possible funds, received as a result of relief funding, would be reflected in revised budgets.

- **Did MPS charter schools who received PPP loans anticipate a revenue shortfall or deficit of operation? What contingency plans have schools submitted to address these shortfalls?**

MPS has not been notified by MPS charter schools that they have received PPP loan funds. As of this date, no MPS charter schools have indicated that they anticipate a revenue shortfall or deficit of operation. As of this date, no MPS charter schools have submitted contingency plans to address anticipated revenue shortfalls or deficits of operation.

- **What plans have MPS charter schools submitted to incur long-term debt? What funds will be used to repay the debt and what is the schedule of interest incurred from debt that is chargeable to funds received under the MPS charter school contract?**

As of this date, no MPS charter schools have submitted plans to incur long-term debt. No indication has been made as to what funds will be used to repay the debt or as to the schedule of interest incurred from the debt that is chargeable to funds received under the MPS charter school contract.

- **How will MPS charter schools segregate the accounting and reporting of revenue and expenditures?**

It is anticipated that charter schools accounting for funds will be reflected in budgets and regular financial reporting, as required under the contract.

- **What plans do MPS charter schools have to repay PPP loans if they are not forgiven?**

As of this date, MPS Department of Contracted School Services has not received any plans from MPS charter schools relating to how MPS charter schools will repay loans if they are not forgiven.

- **What obligations does MPS have as a charter school authorizer to monitor CARES Act funding received by MPS charter schools?**

It is anticipated that MPS charter schools receiving Cares Act funding will use, account, and monitor Cares Act funding appropriately, as directed by applicable federal and/or state guidelines. Funding that flows through MPS as the fiscal agent will be monitored for budget planning and spending aligned to allowable uses.

- **What, if any, equity issues may arise from the allocation of CARES Act funding? How will these issues be addressed?**

As this is a new program and source of funding, it is unclear as to exactly what equity issues may arise from such funding.