

# CRITICAL POLICY REFERENCE MANUAL

Charter School Edition

Academy Charter High School

FILE CODE: 3550

Monitored

Mandated

Other Reasons

## DEBT SERVICES

The board of trustees may incur debt for a period no greater than 12 months except when the debt incurred by the charter school board of trustees for a period of 12 months or greater is:

- A. Fully secured by the value of the real property or other asset, so that the total value of all such debt does not exceed the total appraised value of the property or asset by which the debt is secured; and
- B. The lender has agreed to no right of recourse to the assets of the charter school beyond stated limits.

Adopted: April 11, 2013

### Key Words

Debt, Debt of Property, Licensing, Rental

### Legal References:

<u>N.J.S.A.</u> 18A:20-2	Purchase and sale of property in general
<u>N.J.S.A.</u> 18A:20-8.2	Lease of land, or part or all of school building not necessary for school purpose; resolution; procedure
<u>N.J.S.A.</u> 18A:20-9	Conveyance of unneeded real estate for nominal consideration;
<u>N.J.S.A.</u> 18A:36A-1 <u>et seq.</u>	Charter School Program Act of 1995 qualified recipients; reversion
<u>N.J.S.A.</u> 54:4-3.6	Exemption of property of nonprofit organizations
<u>N.J.A.C.</u> 6A:11-1 <u>et seq.</u>	Charter Schools
<u>N.J.A.C.</u> 6A:23A-22.4(a)	Financial requirements

### Possible

<u>Cross References:</u>	*3220/3230	State funds; federal funds
	*3280	Gifts, grants and bequests
	*3440	Inventories
	*6171.3	At-risk and Title 1

\*Indicates policy is included in the Critical Policy Reference Manual.