

**NOTICE OF VOLUNTARY FILING  
FOR CONTINUING DISCLOSURE PURPOSES**

**NATIONAL CHARTER SCHOOL REVOLVING LOAN FUND REVENUE BONDS**

**CUSIP Prefix: 13035A, 04052F**

**Date: May 15, 2020**

Equitable Facilities Fund, Inc., a Delaware nonstock, nonprofit corporation (the “Program Administrator”), was established in 2017 to operate a pooled revolving loan program for the benefit of a class of public charities that operate to support public charter school facilities. The Program Administrator originates loans to qualifying public charter schools across the country, including a nine-step lending process from loan sourcing to portfolio management (“School Loans”), for the purpose of financing and refinancing the costs of the acquisition, construction, improvement, equipping, and furnishing of public charter school facilities.

Notice is hereby given that on May 15, 2020, the Program Administrator entered into a School Loan (the “NYOS Loan”) with Not Your Ordinary School, a Texas 501(c)3 corporation. Upon closing, the NYOS loan was sold to Equitable Revolving Fund LLC, a Delaware limited liability company (the “Revolving Fund”) for inclusion in the ESRF Loan Pool under the Master Trust Indenture. Capitalized terms used but not defined herein have the meanings set forth in the Official Statement relating to the Arizona Industrial Development Authority National Charter School Revolving Loan Fund Revenue Bonds, Series 2019A and the California Infrastructure and Economic Development Bank National Charter School Revolving Loan Fund Revenue Bonds, Series 2019B, dated August 8, 2019.

Attached as Appendix A hereto is a summary of the NYOS loan, including a description of the obligor’s charter contract, management and governance, enrollment information, academic performance, financed project, and financial information. ***None of the Revolving Fund, the Program Administrator, or their counsels has undertaken any responsibility for the accuracy or completeness of the information provided in Appendix A. Certain information may have changed since the NYOS Loan closing date and may be subject to future changes.***

**Not Your Ordinary School (NYOS)**  
**Austin, Texas**

**\$25,295,892 EFF Financing / Closed: May 14, 2020 / Final Maturity: June 1, 2050**

**Obligor Overview**

NYOS Charter School, Inc. is a single charter 501(c)3 corporation, operating two campuses serving 1,063 students in PK-12 in Austin, TX. The Kramer campus serves students PK-3 and the Lamar campus serves grades 4-12. In fall of 2021 NYOS will open two new instructional buildings at the Lamar campus, creating space for PK-3 at Lamar and eliminating the leased Kramer campus.

NYOS was founded in 1998 by a group of families seeking better education options for their children, with a model focused on serving the whole student.

The legal borrower will be NYOS Charter School, Inc., a Texas non-profit corporation.

**Charter Contract**

NYOS's authorizer is the Texas Education Agency (TEA). The school's charter runs through July 31, 2023. The charter was last amended in July 2017 to increase the enrollment cap to 2,500 students. Upon completion of the financed project in summer 2021 the school will begin increasing enrollment to approximately 1,996 by FY28.

**Management & Governance**

NYOS is governed by a 12-person board of directors, with leadership experience and professional expertise that includes finance, education, business, and law. The board meets monthly and meetings are open to the public. There are two standing committees, Nomination and Compensation, in addition to the formation of various ad hoc committees. In FY20 additional committees included Financial Oversight, Board Development, Property Development, and Succession Planning.

NYOS is led by a six-person senior leadership team that includes the Executive Director, Director of Academics, Director of Operations, Director of Finance, Elementary Principal, and Secondary Principal. The team has an average of nine years at NYOS. The Executive Director joined NYOS in 2009 and brings more than 25 years of professional experience in education, finance, and operations management. The remaining members of the leadership team bring more than 15 years each of relevant experience in areas such as finance, school operations, education leadership, and instructional experience.

Biographies of board members and leadership, as well as board minutes and agendas, are included on the NYOS website.

**Enrollment & Student Information**

NYOS's student count for the past four fiscal years is as follows:

**CMA**  
**Historical Student Enrollment**  
**FY17 – FY20**

FY17	FY18	FY19	FY20
958	984	996	1,063

Upon completion of the construction of two new instructional buildings at the Lamar campus, NYOS expects enrollment to grow to approximately 1,996 students by FY28. The school’s enrollment plan calls for gradual growth from FY22 through FY28. Student retention was 87%, 89%, and 88% for FY17, FY18, and FY19, respectively. The waitlist has averaged 312% of enrollment for the past three years.

NYOS’s student body comes from socioeconomically and ethnically diverse backgrounds. In FY20 33% of NYOS students were eligible for free and reduced lunch, approximately 32% were Hispanic, 13% were African American, and 10% were Asian or Pacific Islander.

**Academic Program & Results**

NYOS’s academic model is focused on serving the whole student with an emphasis on cultivating responsibility, confidence, compassion, and independence amongst its students. NYOS has consistently maintained and achieved academic results exceeding that of the district and state. This performance is partially attributable to five key features of NYOS’s school design:

- Small class size - classes are capped at 20 and often as small as 12 students, by design.
- Teacher support and development - NYOS offers 7 hours of planning and professional development time each week. With this time, teachers plan, access data, collaborate and grow.
- Two-year loops - Students have the same teacher in Kindergarten and 1st grade, then the same teacher for 2nd and 3rd grade, and again for 4th and 5th grades.
- Year-round schedule – Students attend school year-round to unlock more learning.
- Civic engagement - NYOS connects students directly to the larger community through study trips beginning in Kindergarten through 12th grade.

Academic achievements include:

- In FY19, NYOS (Kramer and Lamar combined) earned an overall A rating from the TEA, including a 94/100 for student achievement, 91/100 for school progress, and 100/100 for closing the gaps.
- On the Texas STAAR test in 2019, NYOS students averaged 67% proficient across all grades in ELA, compared with 53% for Austin ISD, its host district<sup>1</sup>, and 48% for the state. In Math NYOS students averaged 72% proficient compared with 53% for Austin ISD students and 52% for students across the state.
- On the ACT, NYOS’s class of 2018 earned a composite score of 24 compared with 23 for Austin ISD and 21 for the state of Texas.

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<sup>1</sup> The district from where it draws the majority of its students.

## The Project



Proceeds of the EFF financing will be used to construct two new buildings totaling 77,000 square feet on land, purchased in 2016, that is adjacent to NYOS's existing Lamar campus. The addition will create 50 more classrooms and space for 933 additional students. The new construction will be located on the same site as the existing Lamar campus at 12301 N Lamar Blvd in Austin, TX. Construction is set to begin in May 2020 with substantial completion planned for May 2021.

## Financial Information

Certain historical financial information for NYOS is listed below. These metrics will be updated and included in EFF's continuing disclosure annual report.

### NYOS Historical Financial Information

<u>Metric</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>
Total Revenue (TR)	\$8,753,364	\$8,975,231	\$9,607,813
DS Coverage Ratio	1.26x	1.27x	1.48x
Debt Burden (% of TR)	8.9%	8.6%	8.2%
Days Cash on Hand	58	64	75

**Ratings:** S&P: BB

**Website:** <https://www.nyos.org/>

**NYOS**  
**Security and Loan Covenants**

Security	Master Trust Indenture that includes school revenues and real estate, at parity with other note holders			
Debt Service Coverage Covenant	Maintain a coverage ratio of at least 1.10x			
Additional Bonds Test	1.20x			
Liquidity Covenant	Equal or greater than 45 days cash on hand each Fiscal Year beginning with June 30, 2020.			
Academic Covenant	Maintain a TEA letter grade of "B" or better; school average passing rate on annual state STAAR standardized test that exceeds the state's average passing rate; average SAT Math and SAT Verbal, or ACT equivalent, scores that exceed the state's average scores.			
Enrollment Covenant	Commencing in FY28 annual required enrollment of 1,856 and enrollment minimum of 1,796. Failure to maintain enrollment requirement does not constitute an event of default if the Borrower can demonstrate its ability to meet all required financial covenants, or if enrollment counts are the result of TEA or state legislature requirements. Prior to FY28, enrollment requirements and minimums shall correspond to the below enrollment schedule:			
	Academic Year Ending June 30	Full Enrollment	Enrollment Requirement	Enrollment Minimum
	2021	1,064	990	958
	2022	1,330	1,237	1,197
	2023	1,627	1,513	1,464
	2024	1,707	1,588	1,536
	2025	1,787	1,662	1,608
	2026	1,863	1,733	1,677
	2027	1,931	1,766	1,738
	2028	1,996	1,856	1,796
Thereafter	1,996	1,856	1,796	