

Financing Considerations

1. Texas Education requires Board Approval before the Permanent School Fund (PSF) Guarantee Program application can be submitted

		Moody's	S&P	Fitch
Highest Quality (Lowest default risk)	Credit Rating Levels	Aaa	AAA	AAA
High Grade / High Quality		Aa1	AA+	AA+
		Aa2	AA	AA
		Aa3	AA-	AA-
Upper Medium Grade		A1	A+	A+
		A2	A	A
		A3	A-	A-
Minimum Investment Grade		Baa1	BBB+	BBB+
		Baa2	BBB	BBB
		Baa3	BBB-	BBB-
Speculative Grade		Ba1	BB+	BB+
		Ba2	BB	BB
		Ba3	BB-	BB-
		B1	B+	B+
		B2	B	B
		B3	B-	B-
Highly Speculative Grade		Caa1	CCC (+/-)	CCC (+/-)
	Caa2	CC	CC	
	Caa3	C	C	
Imminent default or in default		Ca or C	SD or D	SD or D

2. What is the PSF Rated ? “AAA” by Standard & Poor’s
3. What is the Requirement to Qualify for PSF ? Horizon Montessori Academy must be rated at least “BBB-” by Standard & Poor’s or Moody’s (Baa3).

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