



Committee of the Whole

Prospective Process for Prop. 39 Over-Allocations

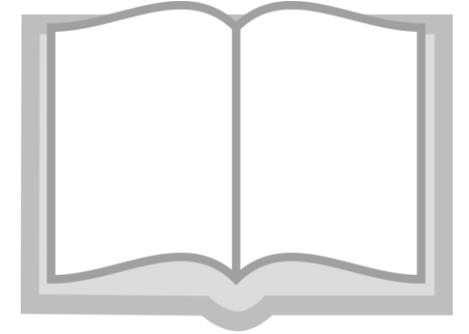
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What is Proposition 39?



- Passed by California voters in 2000
- **STATE LAW**: Amended Education Code section 47614
 - On an annual basis, a school district must provide facilities to a qualifying charter school sufficient to accommodate the charter school's total in-district classroom average daily attendance ("ADA").
- **IMPLEMENTING REGULATIONS**: The law is implemented through regulations adopted by the State Board of Education (Cal. Code Regs. tit. 5, section 11969 et seq.)
 - Over-allocation: Section 11969.8

What is Over-Allocated Space?

- Charter school submits ADA projections to the District for upcoming school year.
- District confirms reasonableness of the projections, and allocates teaching stations (i.e., classrooms), specialized classroom spaces (e.g., science labs), and non-teaching station spaces (e.g., administrative office spaces) to accommodate charter school's projected ADA.
- If charter school's actual ADA is less than its projected ADA, and the difference exceeds a threshold amount of 25 ADA or 10% of its projected ADA (whichever is greater), charter school is deemed to have "over-allocated space."

Example

Threshold ADA
10% of 400 = 40

Projected In-District Classroom ADA ¹	Actual In-District Classroom ADA ²	Difference	Is the Difference greater than or equal to 25 ADA, or 10 percent of projected in-district classroom ADA, whichever is greater?
400	350	50	YES



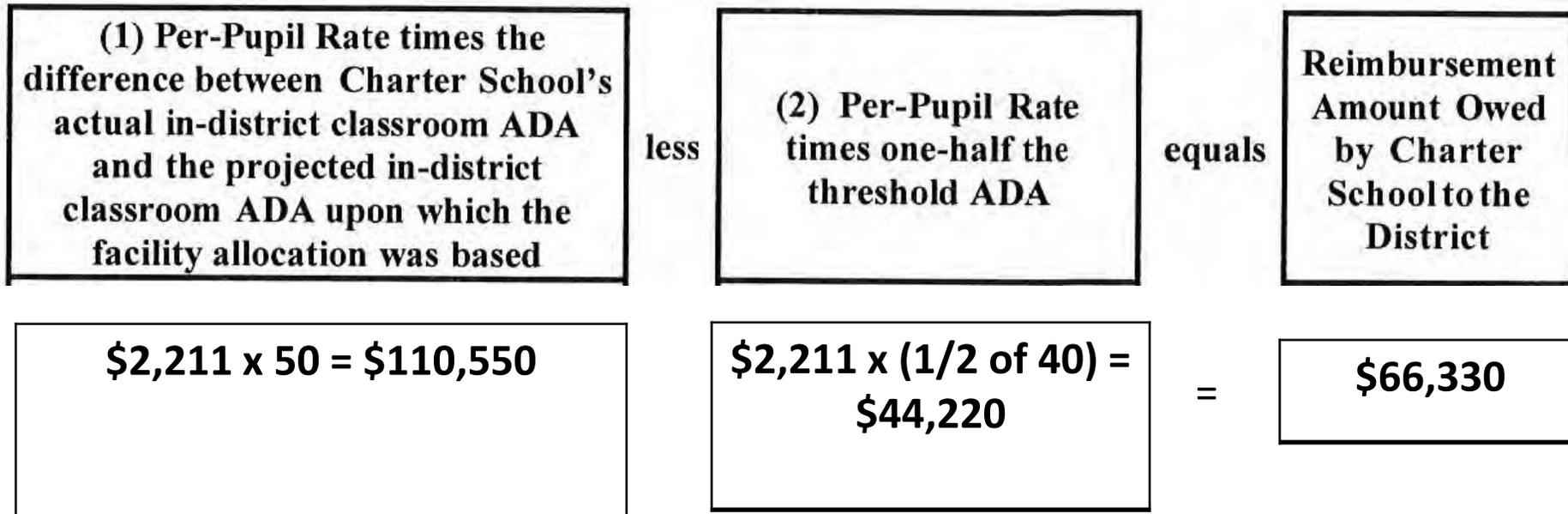
Charter School Reporting of Over-Allocated Space

- Charter school must notify District when it anticipates that it will have over-allocated space that could be used by District.
- Upon notification, District may elect to use the space for District programs.
 - If District notifies charter school that it intends to use all or a portion of the over-allocated space, payments for over-allocated space and pro rata share payments shall be reduced.
 - If District notifies charter school that it does not intend to use the space, charter school must continue to make payments for over-allocated space and pro rata share payments.

How is Over-Allocated Space Reimbursement Amount Calculated?

- Mandatory reimbursement amount set by formula adopted by SBE's implementing regulations.
- "Per-Pupil Rate" set yearly by CDE and published online at: <https://www.cde.ca.gov/sp/ch/overallocated.asp> (for 2018-2019, per-pupil rate was \$2,211)

Example





Over-Allocation Reimbursement Example

Charter School's **Projected** In-District Classroom ADA: **400.00**

Charter School's <u>Actual</u> In-District Classroom ADA	Percentage of Projected In-District Classroom ADA	Reimbursement Amount Owed by Charter School
400.00 (or above) - 360.01	100 (or above) - 90.01	\$0.00
360.00 - 320.00	90 - 80	\$44,220.00 - 132,660.00
319.99 - 280.00	80 - 70	\$132,682.11 - 221,100.00
279.99 - 240.00	70 - 60	\$221,122.11 - 309,540.00
239.99 - 200.00	60 - 50	\$309,562.11 - 397,980.00
199.99 - 160.00	50 - 40	\$398,002.11 - 486,420.00
159.99 - 120.00	40 - 30	\$486,442.11 - 574,860.00
119.99 - 80.00	30 - 20	\$574,882.11 - 663,300.00
79.99 - 40.00	20 - 10	\$663,322.11 - 751,740.00
39.99 - 0.00	10 - 0	\$751,762.11 - 840,180.00



Charter School ADA Reporting Obligations

- Charter school must report actual ADA to District every time that charter school reports ADA for apportionment purposes (e.g., P-1, P-2).
- Report must include in-district and total ADA and in-district and total classroom ADA.
- Charter school must maintain records documenting the data contained in reports. Records shall be available on request by District.

Sample reporting format:

	In-District ADA (Reporting Period)	Total ADA (Reporting Period)	In-District Classroom ADA (Reporting Period)	Total Classroom ADA (Reporting Period)
Charter School Name and Site	350.00	378.00	350.00	375.00

Updated LAUSD Procedures for Over-Allocated Space



Charter Schools Division

Over-Allocation Notification



JUL

- Publish auditable report summarizing over-allocation data from previous school year, relevant to the delivery of written notifications of the mandatory reimbursement amounts owed.

SEPT

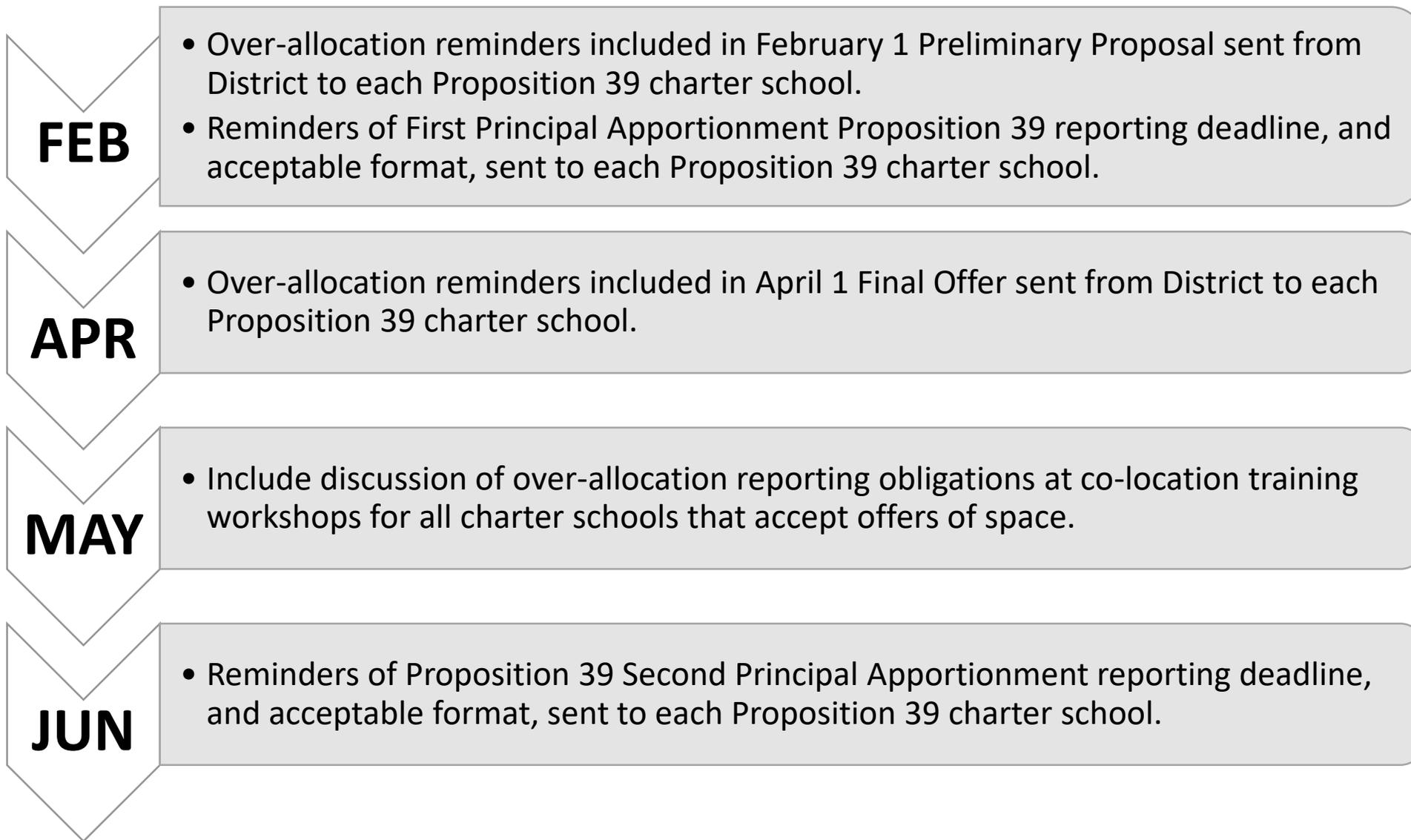
- Annual reminder sent to each Proposition 39 charter school regarding over-allocation reporting requirements.

OCT

- Provide informational workshops for all charter schools applying for facilities under Proposition 39, with specific attention to over-allocation reporting obligations and illustrative examples of reimbursement payments.

DEC

- Over-allocation reminders included in December 1 in-District ADA projections sent from District to each Proposition 39 charter school.





Real Estate

Over-Allocation Courtesy Notices, Final Calculation
and Preparation of Billing Statements



AUG

- Following Office of General Counsel's case-by-case review, prepare timely, auditable billings for execution by the Chief Financial Officer to each Proposition 39 charter school for their over-allocation reimbursement for the previous school year.

OCT

- Using illustrative examples, provide notices in October for the current operating year to each Proposition 39 charter school regarding the charter school's potential for over-allocation reimbursement payments if the charter school fails to meet projections.

JAN

- Using illustrative examples, provide notices in January for the current operating year to each Proposition 39 charter school regarding the charter school's potential for over-allocation reimbursement payments if the charter school fails to meet projections.

APR

- Using illustrative examples, provide notices in April for the current operating year to each Proposition 39 charter school regarding the charter school's potential for over-allocation reimbursement payments if the charter school fails to meet projections.



Finance

Over-Allocation Collections



AUG

- Review, execute and mail the billings to each Proposition 39 charter school for their over-allocation reimbursement for the previous school year.

SEPT

- Follow up and provide information on collections and payment agreements with Charter Schools that owe on over-allocation.