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E-mail ([ykingberg@ypics.org](mailto:ykingberg@ypics.org))

September 11, 2019

YPI Valley Public Charter High School  
ATTN: Yvette King-Berg, Executive Director  
12513 Gain Street  
Pacoima, CA 91331

RE: Proposition 39 Over-Allocated Space in 2016-17 School Year

Dear Charter School Operator,

The Los Angeles Unified School District (“District”) has determined that YPI Valley Public Charter High School (“Charter School”) was over-allocated Proposition 39 space in the 2016-17 school year (“Applicable School Year”). This letter shall serve as written notice of Charter School’s reimbursement obligation to the District for over-allocated space in the Applicable School Year. This letter also explains how the reimbursement amount of **\$37,175.04** was calculated pursuant to the formula set forth by state law, and provides instructions for Charter School’s payment to the District.

### **Definition of Over-Allocated Space**

State law controls Charter School’s mandatory reimbursement obligations to the District for over- allocated Proposition 39 space. Pursuant to Education Code section 47614, subdivision (b)(2), if Charter School generated less in-district classroom average daily attendance (“ADA”) than it projected for the Applicable School Year, Charter School “shall reimburse the district for the over-allocated space at rates to be set by the State Board of Education.”

The State Board of Education adopted California Code of Regulations, title 5, section 11969.8, subdivision (a), which declares that space is considered to be over-allocated if:

- (1) Charter School’s actual in-district classroom ADA is less than the projected in-district classroom ADA upon which the facility allocation was based, and
- (2) The difference is greater than or equal to a threshold ADA amount of 25 ADA or 10 percent of projected in-district classroom ADA, whichever is greater.

As shown below, Charter School’s actual in-district classroom ADA was less than its projected in-district classroom ADA upon which the facility allocation was based for the Applicable School Year. In addition, the difference was greater than or equal to the greater of 25 ADA or 10 percent of projected

in-district classroom ADA.

Projected In-District Classroom ADA <sup>1</sup>	Actual In-District Classroom ADA <sup>2</sup>	Difference	Is the Difference greater than or equal to 25 ADA, or 10 percent of projected in-district classroom ADA, whichever is greater?
171.95	141.01	30.94	YES

Based on the foregoing, Charter School was over-allocated space in the Applicable School Year.

**Reimbursement Amount Owed by Charter School to the District**

Pursuant to section 11969.8, subdivision (a), the mandatory reimbursement amount owed by Charter School to the District due to over allocated space for the Applicable School Year was calculated using a per-pupil rate posted on the California Department of Education (“CDE”) website.<sup>3</sup> The per-pupil rate for over-allocated space for the Applicable School Year is \$2,016. (See <https://www.cde.ca.gov/sp/ch/overallocated.asp>.)

Section 11969.8, subdivision (a), states that the reimbursement amount owed by Charter School for over-allocated space shall be equal to (1) the per-pupil rate times the difference between Charter School’s actual in-district classroom ADA and the projected in-district classroom ADA upon which the facility allocation was based, less (2) this rate times one-half the threshold ADA. The “threshold ADA” is defined by section 11969.8, subdivision (a), as 25 ADA or 10 percent of projected in-district classroom ADA, whichever is greater. Based on this regulatory formula, the following describes the reimbursement amount owed by Charter School to the District for the Applicable School Year:

<sup>1</sup> If Charter School and the District did not enter into a Proposition 39 alternative agreement for the Applicable School Year, Charter School’s projected in-district classroom ADA was calculated by applying the projection identified in the District’s final notification of space offered. If Charter School and the District entered into a Proposition 39 alternative agreement for the Applicable School Year, Charter School’s projected in-district classroom ADA was calculated by multiplying the ratio of ADA-to-teaching stations (classrooms) provided to students attending Charter School’s comparison group schools with the number of exclusive use teaching stations (classrooms) allocated to Charter School.

<sup>2</sup> In compliance with California Code of Regulations, title 5, section 11969.8, subdivision (a), “actual in-district classroom ADA” was determined using the report submitted by Charter School pursuant to section 11969.9(l) in conjunction with the second principal apportionment under Education Code section 41601.

<sup>3</sup> “The per-pupil rate for over-allocated space shall be equal to the statewide average cost avoided per pupil set pursuant to Education Code section 42263 for 2005-06, adjusted annually thereafter by the CDE by the annual percentage change in the general-purpose entitlement to charter schools calculated pursuant to Education Code section 47633, rounded to the next highest dollar, and posted on the CDE Web site.” California Code of Regulations, title 5, section 11969.8, subdivision (a).

<b>(1) Per-Pupil Rate times the difference between Charter School’s actual in-district classroom ADA and the projected in-district classroom ADA upon which the facility allocation was based</b>	less	<b>(2) Per-Pupil Rate times one-half the threshold ADA</b>	equals	<b>Reimbursement Amount Owed by Charter School to the District</b>
$\$2,016 \times 30.94 = \$62,375.04$	-	$\$2,016 \times (\frac{1}{2} \text{ of } 25) = \$25,200.00$	=	$\$37,175.04$

Therefore, Charter School owes the District a reimbursement amount of \$37,175.04 (“Reimbursement”) due to over-allocated space for the Applicable School Year.

Charter School was reminded of its legal obligations to reimburse the District if it was over-allocated space both in the preliminary proposal and the final notification of space offered, if any, that were issued by the District for the Applicable School Year. If Charter School and the District entered into a Proposition 39 alternative agreement for the Applicable School Year, Charter School also affirmed therein that it remains subject to potential reimbursement obligations for over-allocated space pursuant to California Code of Regulations, title 5, section 11969.8. Moreover, the enclosed July 8, 2016 letter sent to charter schools from the District reminded charter schools – prior to the Applicable School Year – of their legal obligations to reimburse the District if they were over-allocated space.

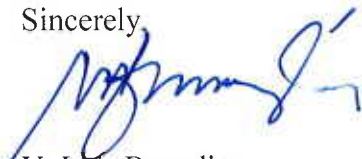
Please remit the Reimbursement within 20 days of delivery of this letter via check payable to “The Los Angeles Unified School District” and delivered to:

Los Angeles Unified School District  
 LAUSD Permit Office  
 333 S Beaudry Ave, 1st Floor  
 Los Angeles, CA 90017  
 ATTN: Over-Allocated Space Payment

Please be sure to include Charter School’s name and “Prop. 39 over-allocated space for 2016-17” in the memo section of the check.

If you have any questions or wish to discuss this matter further, please e-mail [prop39@lausd.net](mailto:prop39@lausd.net).

Sincerely,



V. Luis Buendia  
 Interim Chief Financial Officer

Encl.

Cc: Austin Beutner, Superintendent