

This document was provided, as is, to the California Department of Education (CDE) by **Motivated Youth Academy**. This document is posted to the CDE website to meet the legal requirements of California *Education Code* Section 33009.5.

For more information regarding the content of this material, please contact the Charter Schools Division by phone at 916-322-6029 or by email at charters@cde.ca.gov.

Determination of Funding Request for
Motivated Youth Academy, Charter #1628

Nonclassroom-Based Funding Determination Form - Fiscal Year 2022-23
Charter Schools Division
Revised October 2022

Nonclassroom-Based Funding Determination Form - Fiscal Year 2022-23

Information collected on this form is pursuant to *California Code of Regulations*, Title 5 (5 CCR).
Instructions for completing this form can be found on the California Department of Education (CDE)
website at <https://www.cde.ca.gov/sp/ch/nclrbifunddet.asp>.

Users should download and save the PDF prior to entering data into the form. The recommended program for completing the form is Adobe Acrobat Reader DC. Completing the form using the web browser may result in errors.

Section I. Charter School Information (Complete fields 1-18) 5 CCR 11963.3(a)(1) to (4)

1. Charter School Name	Motivated Youth Academy		
2. Charter School Authorizer	Mountain Empire Unified School District		
3. Charter School Number	1628	4. CDS Code	37682130129668
5. Street Address	500 La Terraza Blvd. #150		
6. City	Escondido	7. County	San Diego
		8. Zip Code	92025
9. Contact Name	Jason Sitomer	10. Title	Managing Director
11. Phone Number	323-570-0602	ext.	
		12. Email	jsitomer@charterimpact.com
13. Grade Levels Served	K-12	14. Date Charter Expires (MM/DD/YYYY)	06/30/2026
15. Funding Level Requested (Select one)	<input checked="" type="radio"/> 100% <input type="radio"/> 85% <input type="radio"/> 70%		
16. Years Requested (Select one)	<input checked="" type="radio"/> 2 <input type="radio"/> 3 <input type="radio"/> 4 <input type="radio"/> 5		
17. Funding Determination Period Requested	FY 2023-24	to	2024-25
18. Charter School Deadline - Select one			
	<input type="radio"/> Due Date: 12/1/22 To be heard at the March State Board of Education (SBE) meeting		
	<input checked="" type="radio"/> Due Date: 2/1/23 To be heard at the May SBE meeting		
	<input type="radio"/> Other Funding Determination (Specify in Section VI.3) Source Data FY <input type="text"/>		

■ For an existing charter school that does **not** have an active funding determination, please use current-year budget data as the source data to complete the form.

■ For an existing charter school with a funding determination that expires at the end of FY 2022-23, use FY 2021-22 audited financial data.

■ If an existing charter school with a funding determination misses the February 1 deadline, the governing board of the charter school's authorizing local educational agency will need to request a waiver to submit a late funding determination request. The SBE may approve such waivers under the general authority, under California *Education Code (EC)* sections 33050-33053. Additional information regarding the waiver process is located on the CDE Waivers web page at <https://www.cde.ca.gov/re/lr/wr>.

Section II. Financial Information (Complete sections A, B, D, and E)

A. Total Resources (Complete lines A.1.a to A.1.d)

1. Revenues and Other Resources		5 CCR 11963.3(a)(5)(A) and (6)
a. Federal Revenues		\$133,595
(i) Enter amount of Public Charter Schools Grant Program included under Federal Revenues (Line A.1.a)	\$0	
b. State Revenues		\$2,361,651
c. Local Revenues		\$128,548
d. Other Financing Sources		
e. Total Revenues (Sum of lines A.1.a to A.1.d)		\$2,623,794

B. Total Expenditures and Other Uses (Complete lines B.1 to B.4)

1. Instruction and Related Services		5 CCR 11963.3(a)(5)(B) and (6)
a. Salaries and Benefits		
(i) Certificated		\$1,083,429
(ii) Classified		\$199,076
b. Books, Supplies, and Equipment		\$147,399
c. Services and Other Operating Costs		
(i) Contracts for Instructional Services		\$258,146
(ii) Contracts for Instructional Support		\$9,126
(iii) All Other Instruction Related Operating Costs		\$143,057
d. Total Instruction and Related Services		\$1,840,233
2. Operations and Facilities		5 CCR 11963.3(a)(5)(C) and (6)
a. Salaries and Benefits		
(i) Certificated		\$0
(ii) Classified		\$0
b. Books, Supplies, and Equipment		\$0
c. Services and Other Operating Costs		\$8,890

Determination of Funding Request for
Motivated Youth Academy, Charter #1628

B. Total Expenditures and Other Uses (Complete lines B.1. to B.4), continued
--

d. Facility Acquisition and Construction		\$0
e. Total Operation and Facilities		\$8,890
f. Allowable Facility Costs	5 CCR 11963.3(b)(7)	
(i) Enter the total facility square footage occupied by the charter school	0	sqft.
(ii) Enter the total Classroom-Based P-2 ADA reported in the prior FY. DO NOT INCLUDE NCB ADA		
(iii) Enter the total Student Hours attended by the NCB pupils at the school site in the prior FY	0	
(iv) Calculated Facilities Costs Lesser of line B.2.e or [(B.2.fii+(B.2.fiii/868)]*1000		\$0.00
Allowable (Lesser of line B.2.e or B.2.fiv)		\$0.00
3. Administration and All Other Activities		5 CCR 11963.3(a)(5)(D) and (6)
a. Salaries and Benefits		
(i) Certificated		\$0
(ii) Classified		\$143,848
b. Books, Supplies, and Equipment		\$0
c. Services and Other Operating Costs		
(i) Contracts for Other Administrative Services		\$124,002
(ii) Supervisorial Oversight Fee		\$0
(iii) All Other Administration and Other Activities, Services and Operating Costs		\$93,060
d. Total Administration and Other Activities		\$360,910
4. Other Outgo and Other Financing Uses		5 CCR 11963.3(a)(5)(E) and (6)
a. Debt Service		\$0
b. Transfers to local educational agencies		\$0
c. All Other Transfers and Outgo		\$0
Note - This must not be a negative value.		
d. Total Other Outgoing and Other Financing Uses		\$0

Determination of Funding Request for
Motivated Youth Academy, Charter #1628

Nonclassroom-Based Funding Determination Form - Fiscal Year 2022-23

B. Total Expenditures and Other Uses, continued

5. Total Expenditures \$2,210,033
(Sum of lines B.1.d, B.2.e, B.3.d, and B.4.d)

C. Revenues Over Expenditures - Surplus or (Deficit)

(Line A.1.e minus Line B.5) \$413,761

D. Fund Balance (Complete line D.a)

a. Enter Beginning Fund Balance (July 1) 5 CCR 11963.3(a)(5)(A) \$703,739
b. Ending Fund Balance - June 30 (Line C plus Line D.a) \$1,117,500

E. Reserves (Complete lines E.a. to E.e)

If reserves in line E.a or E.b are more than \$50,000 or over 5% of total expenditures, provide an explanation in Section III.6, pursuant to 5 CCR 11963.3(a)(5)(F).

	% of Expenditures	
a. Designated for Economic Uncertainties	17%	\$375,706
b. Facilities Acquisition or Capitol Projects	0%	
c. Reserves Required by Charter Authorizer	5%	\$110,500
d. Other Reserves (Explain in Section III.5)	0%	
e. Unassigned/Unappropriated Fund Balance	29%	\$631,294
f. Total (Sum of lines E.a to E.e)	51%	\$1,117,500

Note - Line E.f must agree with Line D.b

Section III. Supplemental Information (Complete lines 1 through 8)

1. Pupil to Teacher Ratio (PTR), pursuant to EC Section 51745.6 and 5 CCR Section 11704

a. Enter the charter school's PTR: 0.00:1 20.3

b. If the charter school's PTR in line III.1.a exceeds 25:1, enter the name of the largest unified school district in the county or counties in which the charter school operates:

c. Enter the PTR for the unified school district listed on line III.1.b: 0.00:1

2. Did any entity receive \$50,000 or more OR 10% or more of total expenditures (Line B.5) Yes
in the FY 2021-22 OR will receive in the FY 2022-23? (5 CCR 11963.3[b][3]) No

If yes to line III.2, list the name of each entity and the cumulative amount received by each entity in Box 2.a on Page 5. Are contract payments made by the charter school based on specific services rendered or upon an amount per unit of average daily attendance (ADA) or some other percentage of the charter school's revenues, enrollment, etc? If yes, identify on Page 5 Box 2.a.

Determination of Funding Request for
Motivated Youth Academy, Charter #1628

3. List the charter school's CURRENT governing board pursuant to 5 CCR Section 11963.3(b)(4).

Name and Title of Board Member	Board Member Type (Parent, teacher, etc)	How was this member selected?	Is the member affiliated in any way with any entity listed in Section III.2?	Board Member Term (From MM/YY to MM/YY)
William Hall, President	Community Member	Appointed	No	04/21 - 04/24
Michael Humphrey, Vice President	Community Member	Appointed	No	04/21- 04/24
Steve Fraire, Clerk	Community Member	Appointed	No	04/21 - 04/23
Peter Matz, Member	Community Member	Appointed	No	04/21 - 04/23
Larry Alvarado, Member	Community Member	Appointed	No	08/18 - 08/23

Has the governing board adopted and implemented conflict of interest policies and procedures? Yes No

For any governing board member identified as affiliated with any entity reported above in Section III.2, explain the nature of the affiliation below. Attach an extra sheet if necessary.

4. If transfers are reported on lines B.4.b or B.4.c, describe the nature of the transactions and identify the accounts or entities involved in the transfers pursuant to 5 CCR Section 11963.3(b)(5).

B.4.b

B.4.c

5. If "Other Reserves" are reported on line E.d, explain the purpose for these reserves.

Reserves in Line E.d

E.d

Determination of Funding Request for
Motivated Youth Academy, Charter #1628

6. If reserves reported on line E.a (designated for economic uncertainties) OR E.b (facilities acquisition or capital projects) exceed the greater of \$50,000 or 5% of total expenditures, explain the need for such excess reserves.

E.a

Percentage

E.b

Percentage

BASC (Business and Administration Steering Committee) at 20-21 2nd Interim, Common Message (2/20/21) - The Government Finance Officers Association, a national organization representing federal, state, and local finance officials, recommends school districts and other local governments maintain reserves of at least two months of operating expenditures (approximately 17% reserve) to mitigate revenue shortfalls and economic uncertainty.

7. Enter the average daily attendance (ADA).

FY 2021-22 P-2 ADA (0.0)

FY 2022-23 P-2 ADA (0.0)

8. Enter the full-time equivalent (FTE) employees working at the charter school that possess a valid teaching certificate, permit, or other document equivalent to that which a teacher in other public schools would be required to hold issued by the Commission on Teacher Credentialing and who work in the charter school in a position required to provide direct instruction or direct instructional support to students, pursuant to 5 CCR Section 11963.3(b)(8).

FY 2021-22 FTE (0.0)

FY 2022-23 FTE (0.0)

Section IV. Nonclassroom-Based Virtual or On-line Charter Schools (Complete lines 1 and 2)

1. Is this charter school a virtual or on-line charter school as defined in 5 CCR Section 11963.5? (A virtual or on-line charter school is one in which at least 80% of teaching and student interaction occurs via the Internet.) Yes No

2. If yes to line IV.1, can the charter school demonstrate compliance with 5 CCR sections 11963.5(b)(2) to (8)? Yes No N/A

Section V. Calculated Funding Determination Percentage

1. Percent spent on Certificated Employee Salaries and Benefits to Total Public Revenues 5 CCR 11963.3(c)(1)

Certificated Salaries and Benefits costs Line B.1.a(i)/Federal Revenues Lines A.1.a - PCSGP A.1.a(i) + State Revenues A.1.b

2. Percent spent on Instruction and Related Services to Total Revenues 5 CCR 11963.3(c)(2)

Instructional and Related Services costs Line B.1.d + Allowable Facilities costs 2.f.(iv)/Total Revenues Line A.1.e

Determination of Funding Request for
Motivated Youth Academy, Charter #1628

Funding Determination Criteria

If the percentages from lines V.1 or V.2 do not meet the spending criteria of the funding level requested as shown below, complete Section VI to provide mitigating circumstances for consideration by the Advisory Commission on Charter Schools (ACCS) for making a recommendation other than one that results from the criteria specified in regulations.

100%	1) Line V.1 must equal or exceed 40 percent, 2) Line V.2 must equal or exceed 80 percent, AND 3) Line III.1.a. PTR cannot exceed 25:1 OR the PTR on line III.1.c, the ACCS shall recommend approval at 100%, unless there is a reasonable basis to recommend otherwise (5 CCR 11963.4[a][3]).
85%	1) Line V.1 must equal or exceed 40 percent, AND 2) Line V.2 must equal or exceed 70 percent but less than 80 percent, the ACCS shall recommend approval at 85%, unless there is a reasonable basis to recommend otherwise (5 CCR 11963.4[a][2]).
70%	1) Line V.1 must equal or exceed 35 percent, AND 2) Line V.2 must equal or exceed 60 percent but less than 70 percent, the ACCS shall recommend approval at 70%, unless there is a reasonable basis to recommend otherwise (5 CCR 11963.4[a][1]).
Denied	1) Line V.1 is less than 35 percent, OR 2) Line V.2 is less than 60 percent, the ACCS shall recommend that the SBE deny the request, unless there is a reasonable basis to recommend otherwise (5 CCR 11963.4[a][4]).

Section VI. Mitigating Circumstances (Complete lines 1-3 and attach any supporting documentation)

1. Explain why the charter school did not meet the criteria for the funding level requested. Include specific measures or actions taken by the charter school to comply.

See attached form.

2. List and explain the mitigating circumstance(s) to be considered by the CDE and ACCS.

See attached form.

3. Provide any other pertinent information that may assist the CDE and ACCS in conducting a detailed review or develop a reasonable basis for a recommendation.

See attached form.

Section VII. Certification (Review, sign, and date)

5 CCR 11963.3(b)(1)

I certify that:

1. The information provided is true and correct to the best of my ability and knowledge.
2. This charter school's nonclassroom-based instruction is conducted for and substantially dedicated to the instructional benefit of the school's students.
3. This charter school's governing board has adopted and implemented conflict of interest policies.
4. All of the charter school's transactions, contracts, and agreements are in the best interest of the school and reflect a reasonable market rate for all goods, services, and considerations rendered for or supplied to the school.

Bill Dobson

Enter Name of Charter School's Director, Principal, or Governing Board Chairperson

Interim Director

Title of Authorized Individual

Before certifying with electronic/digital signature below, please be sure to check all numerical entries and information provided, and save a copy of this form. Modifications to the information reported on this form cannot be made after the signature field below has been completed. If providing a wet signature instead of an electronic one, please date the signature.

William B. Dobson

Signature of Charter School's Director, Principal, or Governing Board Chairperson

Submit completed and electronically signed forms via email to charter-sb740@cde.ca.gov.

The CDE no longer requires the following documents:

- Hard copy of the FDF
- Hard or soft copy of the Conflict of Interest Policy

Therefore, please do not submit these documents to the CDE.

Mitigating Circumstances:

Established in 2014, Motivated Youth Academy (MYA) was previously operated as County Collaborative Charter and is a growing school. MYA was negatively impacted by the COVID-19 global pandemic. As a result of the hold harmless ADA provision, MYA was paid based on ADA of 116.8 for both FY 2019-20 and FY 2020-21. During this last fiscal year, the school showed substantial growth in students as ADA increased to 178.4. For this current fiscal year, ADA is projected to grow by another 13% to 202 ADA. Continued growth is critical for the school to reach and maintain attendance levels that can sustain the administrative costs needed to operate a school. The combination of the smaller ADA with standard overhead administrative items, generated: in-house administrative staff at 5.5% of revenue, external back-office administrative oversight / general consultants at 6.6% of revenue, and legal costs at 1.9% of revenue. These items combined make it challenging for MYA to maintain a break-even budget and meet their instructional spending requirements. Based on its history and past volatility in ADA, MYA is sensitive to the need to maintain a reserve that will protect the school against economic uncertainties. MYA has built up a sufficient fund balance and is now well positioned to move forward with a focus on instructional spending to support each student in overcoming any educational barriers to allow students to thrive. This commitment to MYA's students is seen in its investment in certificated employee salaries and benefits as those costs are 43.42% of total revenue in FY2022, well above the 40% minimum requirement for the funding determination.

Another significant challenge that MYA faced is that they have had three different financial back-office providers in the last three years. Unfortunately, discussions with the back-office provider in place during fiscal year 2021-22 revealed that there was a lack of understanding to not only the importance of the funding determination criteria but also a lack of understanding for the computations themselves. This can clearly be seen by the insufficient instructional spending necessary to even give the school an opportunity to make their instructional spending requirement. The fact that the school had a year-end surplus of over 10%, while missing their spending requirements, highlights this lack of understanding and analysis by the previous provider. As a result, compliance with these criteria was not properly assessed during the 2021-2022 fiscal year. In contrast, these criteria are now being tracked and communicated by the back-office provider to the school's leadership and board of directors monthly. Without an active focus and understanding by the prior financial provider of these critical computations, the fact that there was non-compliance with these criteria was not identified until after the close of the fiscal year when the new back-office provider became active. With the fiscal year closed at that point, it was too late for any corrective action to be taken. The Executive Director and the Board of Directors are now fully aware of these criteria and the importance of compliance with both criteria to obtain full funding for the school's ongoing success. School leadership is focused on meeting these thresholds moving forward and hope that the inadequacies of an inexperienced financial provider do not create a detrimental situation for the school.

Motivated Youth Academy is a mission driven school, trying to help an underserved community achieve and thrive. It is of the utmost importance that the school receive full funding to meet their operational needs and to provide a quality education to their student body. We implore the CDE, ACCS, and SBE to look at the full picture of unfortunate circumstances that this school has gone through over the past years and see that they are now on proper footing to succeed in the future.