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Mt. Diablo Unified School District v. Clayton Valley Charter High School

Court of Appeal, First District, Division 4, California - October 1, 2021 - 69 Cal.App.5th 1004 - 284 Cal.Rptr.3d 850 - 21 Cal. Daily Op. Serv. 10,330 - 2021 Daily Journal D.A.R. 10,488

School district and charter school filed suits against each other, seeking determination of amounts due for facilities costs that regulations authorized district to charge charter school.

The Superior Court tentatively granted district's motion for judgment on pleadings on cross-petition for writ of mandate and complaint for declaratory relief. Charter school appealed.

The Court of Appeal held that:

- Pro rata share of facilities costs for charter school that paid for its own operations and maintenance excluded districtwide plant maintenance and operations costs, and
- Facilities costs excluded any contributions that district made to its ongoing and major maintenance (OMM) account that were ultimately disbursed to pay costs of type paid by charter school.

School district's calculation of pro rata share to be paid by charter school, that paid for its own operations and maintenance, was required to exclude districtwide plant maintenance and operations costs from "facilities costs," defined by regulation as not including any costs paid by charter school, including, but not limited to, costs associated with ongoing operations and maintenance and costs of any tangible items adjusted in keeping with customary depreciation schedule for each item, since regulation required district to exclude from districtwide facilities costs, of which charter school was required to pay pro rata share, any category of costs paid by charter school, not merely any specific costs that charter school paid.

The state board added plant maintenance and operations costs to the regulatory definition of facilities costs to enable a school district to obtain compensation for such services by way of a charter school's pro rata share in those cases in which the district provides such services to the school, but the concurrently added exclusion paragraph requires a district to exclude its districtwide plant maintenance and operations costs from its facilities costs when calculating the pro rata share of a school that pays for such services itself; otherwise, the school will pay for the services twice, and the district will receive reimbursement for services it did not provide.

School district's contributions to its ongoing and major maintenance (OMM) account that were ultimately disbursed to pay costs of type paid by charter school were required to be excluded from "facilities costs," within meaning of regulation authorizing district to charge charter school pro rata share of facilities costs, but excluding from districtwide facilities costs any category of costs paid by charter school; exclusion paragraph applied to all listed costs, with no basis to differentiate between expenditures from OMM account for operations and those for maintenance.

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