

California Department of Education
Nonclassroom-Based Funding Determination - Mitigating Circumstances Request Summary Sheet
Fiscal Year 2016-17

A. Charter School Information (complete lines 1 to 4)

1. Charter School:	Excelsior Charter School	2. Charter No.:	74
3. Requested Funding % with mitigating circumstances	100%	4. CDS Code:	36-67934-3630761

B. Nonclassroom-Based Funding Determination Criteria

Funding Determination Criteria	Certificated Staff Costs to Total Public Revenues Ratio	Instruction and Instruction-Related Services Costs to Total Revenues Ratio	Pupil toTeacher Ratio
100% Funding [5 CCR, Sec. 11963.4(a)(3)]	= or > 40%	= or > 80%	< 25 : 1
85% Funding [5 CCR, Sec. 11963.4(a)(2)]	= or > 40%	= or > 70%	Not Applicable
70% Funding [5 CCR, Sec. 11963.4(a)(1)]	= or > 35%	= or > 60%	Not Applicable

C. Enter the Reported Charter School's Expenditure Ratios and Pupil to Teacher Ratio from Form FDF

	Certificated Staff Costs to Total Public Revenues Ratio	Instruction and Instruction-Related Services Costs to Total Revenues Ratio	Pupil toTeacher Ratio
Enter the charter school's calculated ratios from the FDF in Section VI. Line 1. and VI. Line 2 ----->.	49.39 %	75.69 %	23.07 : 1

If the reported expenditure ratios and/or Pupil to Teacher ratio do not meet the funding determination criteria for the funding level requested, review the regulations in Section D and complete Sections E and F. Sign and attach any documentation that provides further support or clarification.

D. Regulations

California *Code of Regulations*, Title 5 (5 CCR), Sec. 11963.4(e): A reasonable basis for the ACCS to make a recommendation other than one that results from the criteria specified in subdivision (a) may include, but not be limited to, the following: the information provided by the charter school pursuant to paragraphs (2) through (8), inclusive, of subdivision (b) of section 11963.3, documented data regarding individual circumstances of the charter school (e.g., one-time or unique or exceptional expenses for facilities, acquisition of a school bus, acquisition and installation of computer hardware not related to the instructional program, special education charges levied on the charter school by a local educational agency, restricted state, federal, or private grants of funds awarded to the charter school that cannot be expended for teacher salaries, or contracted instructional services other than those for special education), the size of the charter school, and how many years the charter school has been in operation.

E. Mitigating Circumstances (complete lines 1, 2, and 3 and attach any supporting documentation)

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

Excelsior received one time funds in the 2015/16 fiscal year. The total amount of funds received were \$1,362,330 from the following programs: Mandated Costs Reimbursement - \$1,050,587; Educator Effectiveness Grant-\$124,656, and Ramp Up Grant-\$187,087. If these funds were not received, our instruction-related services costs to total revenues ratios would have exceeded the 80% requirement necessary to qualify for 100% funding. While one-time funds are appreciated and needed, it throws out the ability to meet our ratio. As a charter school, we must stay financially stable in order to be renewed or not have our charter revoked. Therefore, we cannot jeopardize our status by using one-time funds for salary and benefits, or any on going expense.

Additionally, Excelsior has had a resource center in the city of Norco for the past 5 years in a facility, which we have outgrown. In 2015/16, an unexpected opportunity came up to purchase a former private school facility. The cost was \$1.8 million and we had to move quickly or face losing the facility, so we had a 30-day escrow and purchased the facility on a cash basis. The facility is coded for educational purposes, which allows us to house more students there. Excelsior faces over \$700,000 in modernizing the facility to bring it to usable standards. We are requesting that this also be considered a mitigating circumstance as we were preparing for the outflow of an estimated \$2.5 million .

2. List and explain the mitigating circumstance(s) to be considered by the California Department of Education (CDE) and Advisory Commission on Charter Schools (ACCS).

Excelsior received a total of \$1,362,330 in one time funds in the 2015/16 fiscal year, which also happens to be the year our current funding determination is based on. If these funds were not received, we would have exceeded the 80% requirement necessary to qualify for 100% funding level. One-time funds are appreciated and needed but it skews our ability to meet our ratio. As a charter school, we must stay financially stable and show an ability to meet expenses for current and future years in order to be renewed or not to have our charter revoked. By using one-time funds for ongoing expenses, such as salaries and benefits, we jeopardize that ability. Excelsior's education programs are numerous. We have been in operation for 22 years and have learned how to manage the limited or excess funds that are received with the ever-changing educational funding levels. Our fiscal stability and student growth means that we have been able to provide quality programs for our students such as performing arts, athletics, concurrent enrollment, and much more; provide a very competitive salary package to entice and retain excellent staff; purchase land and/or buildings needed to educate our students; and remain out of debt even during the severe financial crisis experienced a few years ago, assuring that our students have the equipment or programs necessary to have a successful, enjoyable, safe experience while at our schools.

While our funding model is independent study, Excelsior's program is a hybrid model. Our students are able to attend on-campus workshops and participate in traditional elective programs such as performing arts, culinary arts, CIF sports, ASB, clubs and much more. Our goal is to expand our programs based on the community needs, and that will preclude us from housing our students at store-fronts. Non-classroom based charters have limited access to facility funds and we must assure that we remain fiscally solvent while meeting our facility needs. As stated in the FDF, Excelsior purchased a small school campus in 2015/16 that cost \$1.8 million dollars. We are also estimating and initial \$700,000 investment in modernization to bring the facility to functional standards. One-hundred percent of the facility will be utilized for students. We have to balance our facility needs with the normal day-to-day operations of the schools and so we are able to maintain and build the programs that our students and community want. We are requesting consideration be given to those facility expenses that occurred in 2015/16 that will bring our funding level to 100%.

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.

Excelsior prides itself on the certainty that we place students first by passing through as much of the funding levels that we receive to the staff and programs that will have impact on their future. This is verified by our substantial growth in our student base, the smarter balanced testing scores that we are receiving, and the annual survey results that let us know how we are doing overall. Our number one priority is our children. We are determined in continuing to provide the excellent educational program in facilities other than store-fronts so that our students can benefit from the hybrid program that we offer, while maintaining our fiscal solvency. In 2008/09 after much hard work, we were fortunate to receive \$36 million in State Facilities Grant and local bond measure match but we cannot depend on another success like that for the future, so we will continue to take the opportunities to buy decent school facilities as they come. Excelsior has 22+ years in operations. We have faced many changes and must be able to adapt quickly and effectively. We do this by assuring that our students and staff have all the resources needed and that they are satisfied and content with the services they are being provided so organization's purpose of educating students is nominally affected.

F. Certification

I hereby certify to the best of my knowledge and belief, that the information is true and correct.

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

Peter Wright

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

Superintendent

Title of Authorized Individual

31-Jul-17

Date