Excelsior Charter School Renewal Petition Staff Report

Posted: February 23, 2026 | **Decision Hearing:** March 9, 2026

INTRODUCTION

On December 11, 2025 Excelsior Charter School (ECS) submitted a renewal charter petition (Renewal Petition or Petition) to the San Bernardino County Board of Education (SBCBOE) seeking approval to renew its countywide benefit charter school. Education Code (EC) 47607 and 47607.2 determine the length of charter renewal based on a charter school's placement in the high, middle, or low performance category or "tier" as established by AB 1505. Pursuant to EC 47607(c) and 47607.2(a), ECS is in the middle performing tier and qualifies for five-year renewal term (see additional analysis below). If the SBCBOE renews the Charter, the new term would be for five years effective July 1, 2026 through June 30, 2031. Renewals of countywide benefit charters are governed by the standards and criteria set forth in EC 47605.6, 47607, and 47607.2.

Pursuant to EC 47605.6(b), a county board of education is required to hold a public hearing no later than 60 days after receiving a petition. On January 12, 2026 the SBCBOE held a public hearing on the provisions of the Renewal Petition to consider the level of public support for the Renewal Petition. A number of students and current employees made public comments in support of ECS's Renewal Petition.

Pursuant to EC 47607, 47607.2 and 47605.6, a county board is required to either grant or deny a charter petition within 90 days of receipt of the petition. The timeline may be extended for an additional 30 days by mutual agreement. No extension was necessary. SBCBOE will hold the decision hearing on March 9, 2026. Additionally, this Staff Report was published 15 days prior to the decision hearing. During the decision hearing, the Petitioners will have equivalent time and procedures to present evidence and testimony to respond to the Staff Report.

The complete Renewal Petition is available for review at the following location: https://www.sbcss.net/business/business-advisory-services/charter-schools-office/current-charter-petitions-pending-review

BACKGROUND

While ECS is currently a direct-funded countywide benefit charter established under the authority of the SBCBOE, it originally began operating in 1995 as a district-authorized charter school through the Victor Valley Union High School District (VVUHSD). Under VVUHSD, ECS eventually added several facilities both inside and outside of the boundaries of the authorizing-district. However, in response to *Anderson Union High School District v. Shasta* (2016) 4 Cal.App.5th 262 (Anderson) wherein the California Supreme Court confirmed that *all* locally authorized charter sites must be located within their authorizing district, ECS sought and was approved in 2017 as a countywide charter to continue operations at facilities located within the County. This is the first renewal since its authorization under the SBCBOE. ECS's current term was initially for a five-year term but was extended for an additional three years due to post-pandemic legislative action (AB 130 and SB 114) and will conclude on June 30, 2026.

When ECS was first approved by the SBCBOE, it operated facilities within the boundaries of VVUHSD as well as Adelanto Elementary School District, Barstow Unified School District, Chaffey Joint Union High School District, Ontario-Montclair School District, and San Bernardino City Unified School District. In 2019, ECS submitted a material revision to add a location within the Redlands Unified School

District. The SBCBOE approved the material revision, and the Redlands campus began serving students in approximately 2021.

ECS is governed and operated by EEC, Inc., a California nonprofit public benefit corporation, in accordance with California law and is doing business as (dba Excelsior Charter Schools)[1]. ECS also has two affiliated organizations that were originally formed by ECS. In April 2015, EEC Inc., formed a separate nonprofit public benefit corporation, Excelsior Charter Group (ECG Foundation) that was originally intended to serve as a Charter Management Organization (CMO) for current and future Excelsior Charter Schools. At that time, the ECS governing board also approved the submission of a transfer request to the California Attorney General to transfer a building purchased previously by ECS that served as its central office building, and $2 million of its $42 million fund balance to ECG. The transfer was approved by the California Attorney General on April 29, 2015.

During ECS' original authorization under the VVUHSD, they opened a facility located within the Corona-Norco Unified School District boundaries. As a result of the Anderson decision, the ECS governing board formed a separate nonprofit public benefit corporation known as ECS Corona-Norco (ECSCN) which originally shared all of the same board members as ECS. In 2017, ECSCN submitted a charter petition for local district authorization and was eventually approved on appeal by the Riverside County Board of Education (RCBOE). While ECS and ECSCN are separate schools, both schools share the same Superintendent, executive leadership staff, and the CEO for the ECG Foundation serves as the CFO for both schools. Two current ECS board members serve on the ECSCN board, as well.

In ECS's first year operating its hybrid independent study program under VVUHSD it served 50 students in a single classroom at Victor Valley Junior High School. With the assistance of VVUHSD, ECS' main campus was constructed on the Victor Valley Community College campus. ECS began operating at its main campus in 1999-00 and enrollment grew to 800 students. Today, ECS currently serves approximately 2,285 students in grades 7-12. The Charter operates a well-regarded program as evidenced by its continued enrollment growth. ECS, its leadership team, and governing board have been a collaborative partner since its approval by the SBCBOE that operates with the best interests of the students of the County.

SBCSS CHARTER PETITION REVIEW TEAM

The SBCSS Charter Petition Review Team and legal counsel (Review Team) reviewed the Renewal Petition utilizing the criteria for charter renewals as set forth in EC 47605, 47605.6, 47607, and 47607.2. The Review Team consists of content area experts from throughout the organization with the support of legal counsel.

RENEWAL CRITERIA

Effective July 1, 2020, the legal standards for determining whether a charter petition should be renewed were updated. Pursuant to EC 47607(b) this countywide charter renewal is "governed by the standards and criteria" described in EC 47605.6, and "shall include, but not be limited to, a reasonably comprehensive description of any new requirement of charter schools enacted into law after the charter was originally granted or last renewed."

Pursuant to EC Section 47605.6, a charter petition may be denied based on written factual findings that support one or more of the following:

[1] For purposes of this document, EEC Inc. or Excelsior Charter School will be referred to as ECS.

1. The charter school presents an unsound educational program for the pupils to be enrolled in the charter school.
2. The petitioners are demonstrably unlikely to successfully implement the program set forth in the petition.
3. The petition does not contain an affirmation of each of the conditions required by statute.
4. The petition does not contain a reasonably comprehensive description of all the required elements.
5. The petition does not contain a declaration of whether the charter school shall be deemed the exclusive public school employer of the employees of the charter school for purposes of the Educational Employment Relations Act (EERA).
6. Or any other basis the County Board determines justifies denial.

In addition, to the criteria listed above, the passage of AB 1505 added an "additional criterion" for determining whether a charter school should be renewed. A chartering authority is required to consider the charter school's performance on the California School Dashboard during the two consecutive years immediately preceding the renewal decision. For purposes of renewals, most charter schools are categorized into a high, middle, or low performance category or "tier".[2] The renewals standards and the available length of renewal terms are dependent on this designated performance categorization.

The California Department of Education (CDE) annually creates a list[3] of all charter schools and ranks their academic performance indicators from the California School Dashboard, specifying whether each applicable charter school is in the high, middle, or low performance category. This list was intended to relieve the burden on chartering authorities and provide for a starting place for the renewal process. Based on CDE's list, for 2025, ECS has been designated as a middle performing charter school.

As defined in EC 47607.2, "middle" performing charter schools are any charter school not deemed as "high" or "low" performing and are eligible to be considered for a five-year renewal term.

In determining whether to renew a middle performing charter, the chartering authority is to consider the following (note, the standards for renewal of middle performance tier charter schools were modified by operation of law effective January 1, 2026):

> *The schoolwide and subgroup performance on the state and local indicators on the Dashboard, giving greater weight to measurements of academic performance*.

The chartering authority may deny a "middle" performing school on these bases only by making written factual findings, setting forth specific facts to support the findings, that the school:

> *i. Failed to meet or make sufficient progress toward meeting standards that provide a benefit to the pupils of the school;*
> *ii. Closure of the school is in the best interest of pupils; AND*
> *iii. If applicable, the decision provided greater weight to performance on measurements of academic performance*.

[2] There is an exception for Dashboard Alternative School Status (DASS) schools which is not applicable here.
[3] https://www.cde.ca.gov/sp/ch/performcategory.asp

In such cases, the chartering authority must provide the charter school with at least 30 days' notice of the alleged violation(s) and provide the charter school with a reasonable opportunity to cure the violation(s), including a corrective action plan proposed by the charter school. Pursuant to EC 47607(e), the County Board of Education may then deny renewal on these bases only if it makes either of the following findings:

a. The corrective action proposed by the charter school has been unsuccessful
b. The violations are sufficiently severe and pervasive as to render a corrective action plan unviable.

A chartering authority may also deny renewal of a charter school in any of the performance categories if it finds the school is demonstrably unlikely to successfully implement the program due to any of the following:

a. Substantial fiscal factors,
b. Substantial governance factors, or
c. The charter school is not serving all pupils who wish to attend.

ECS ACADEMIC PERFORMANCE

As stated above, ECS has been designated by CDE as a middle performing school for purposes of renewal. For purposes of renewal, and consistent with EC 47607(c), tables provided below will show a comparison between the Charter and the State for all applicable statewide indicators. The comparison includes schoolwide performance and performance for student groups served by ECS that have historically performed lower than the state average.

California School Dashboard Performance

Applicable statewide indicators for ECS include: performance in ELA and Math; English Language Learner Progress Indicator (ELPI); College/Career Indicator (CCI); Chronic Absenteeism Indicator; Graduation Rate Indicator; Suspension Indicator; and Local Indicators. The Charter has the following numerically significant student groups, that historically have performed lower than the state average, for one or more indicators: African American, English Learner, Hispanic, Homeless, Long-Term English Learners (LTEL), Socioeconomically Disadvantaged (SED), and Students with Disabilities (SwD).

Note for Clarity: The tables below compare ECS performance on each Dashboard indicator to the corresponding statewide results. The column titled "Higher/Lower" reflects the outcome of that comparison, and the cell color corresponds accordingly. Green indicates ECS performed higher than the state, either schoolwide or for the identified student group. Red indicates ECS performed lower than the state. Because performance metrics vary by indicator, the color designation should be used to determine the outcome.

ELA: ECS Distance from Standard Compared to State

Student Groups	2024			2025		
	CA	ECS	Higher/ Lower	CA	ECS	Higher/ Lower
All Students	-13.2	-36.3		-8.1	-36.8	
Numerically Significant Student Groups						
African American	-58.9	-55.8		-51.3	-47.5	
English Learner	-67.6	-80		-59.9	-74.4	
Hispanic	-39.3	-41.9		-33.7	-38.8	
Homeless	-70.4	-67.5		-68.9	-55.8	
LTEL	-109.6	113.9		-104.5	-102.4	
SED	-40.9	-44.6		-35.3	-46	
SwD	-95.6	-99.9		-89.4	-104.6	

Math: ECS Distance from Standard Compared to State

Student Groups	2024			2025		
	CA	ECS	Higher/ Lower	CA DFS/Color	ECS DFS/Color	Higher/ Lower
All Students	-47.6	-113.3		-42.4	-95.1	
Numerically Significant Student Groups						
African American	-102.2	-124.7		-95.8	-118.9	
English Learner	-93.4	-147.7		-86.1	-133.4	
Hispanic	-79.2	-121.1		-73.6	-95.8	
Homeless	-106	-140.4		-102.8	-114.1	
LTEL	-163.5	-172.7		-158.9	-160.9	
SED	-78.2	-124.4		-72.9	-100.5	
SwD	-124.3	-175.7		-120.7	-162	

ELPI: ECS % of Student Progressing Compared to State

Student Groups	2024			2025		
	CA	ECS	Higher/ Lower	CA	ECS	Higher/ Lower
All Students [EL]	45.7%	50.8%		46.4%	61.6%	
LTEL	45.8%	50.4%		49.1%	60.6%	

CCI: ECS % Prepared Compared to State

Student Groups	2024			2025		
	CA	ECS	Higher/ Lower	CA	ECS	Higher/ Lower
All Students	45.3%	33.4%		51.7%	38.4%	
Numerically Significant Student Groups						
African American	28.1%	36.1%		35.7%	36.1%	
English Learner	17.2%	4.2%		24.3%	27.3%*	
Hispanic	37.4%	27.6%		45.1%	34.3%	
Homeless	21.8%	20.6%		26.5%	20.5%	
LTEL	16.5%	4.3%		24.9%	30.0%*	
SED	37.4%	28.5%		44.8%	34.8%	
SwD	13.5%	10.0%		18.7%	17.3%	

(*) The minimum n-size was not met for a color designation; however, Status and Change are reported and used for comparison to the state standard.

Chronic Absenteeism: ECS % of Chronically Absent Students Compared to State

Student Groups	2024			2025		
	CA	ECS	Higher/ Lower	CA	ECS	Higher/ Lower
All Students	18.6%	0.5%		17.1%	0.0%	
Numerically Significant Student Groups						
African American	31.3%	0.0%		29.8%	0.0%	
English Learner	20.1%	0.0%		18.1%	0.0%	
Hispanic	21.7%	0.6%		20.1%	0.0%	
Homeless	32.7%	0.0%		30.7%	0.0%	
LTEL	23.9%	0.0%		22.5%	0.0%	
SED	23.4%	0.5%		21.7%	0.0%	
SwD	26.3%	0.7%		24.9%	0.0%	

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Graduation Rate: ECS % of Graduates Compared to State

Student Groups	2024			2025		
	CA	ECS	Higher/ Lower	CA	ECS	Higher/ Lower
All Students	86.7%	87.3%		87.8%	90.9%	
Numerically Significant Student Groups						
African American	79.1%	91.7%		82.6%	83.3%	
English Learner	77.9%	73.1%		79.7%	95.8%*	
Hispanic	85.3%	84.1%		86.9%	91.9%	
Homeless	75.7%	67.6%		77.1%	82.9%	
LTEL	80.8%	72.0%		84.0%	95.5%*	
SED	84.4%	86.0%		86.2%	91.2%	
SwD	74.4%	85.7%		77.1%	90.6%	

(*) The minimum n-size was not met for a color designation; however, Status and Change are reported and used for comparison to the state standard.

Suspension Rate: ECS % of Students Suspended Compared to State

Student Groups	2024			2025		
	CA	ECS	Higher/ Lower	CA	ECS	Higher/ Lower
All Students	3.2%	3.2%		2.9%	2.4%	
Numerically Significant Student Groups						
African American	8.4%	7.0%		7.7%	4.4%	
English Learner	3.4%	4.0%		3.2%	3.5%	
Hispanic	3.4%	2.5%		3.0%	1.9%	
Homeless	5.7%	4.3%		5.1%	1.1%	
LTEL	8.1%	4.4%		7.0%	3.8%	
SED	4.0%	3.3%		3.6%	2.7%	
SwD	5.4%	5.1%		5.0%	4.9%	

Dashboard Review Highlights: In 2023, ECS received a low performance designation, primarily due to schoolwide and subgroup results in ELA, Math, and Suspension. As outlined in its current (p. 201) and prior two[4] LCAPs, ECS implemented strategies to improve outcomes schoolwide and for identified student groups, and these efforts are reflected in subsequent Dashboard data. Notably, in 2025 ECS's graduation rate exceeded the state average schoolwide and for applicable student groups. While schoolwide DFS in ELA continues to reflect ongoing challenges, improvement is evident for African American, Homeless, and Long-Term English Learner student groups. In Math, although continued improvement remains necessary, ECS reduced DFS schoolwide and for all applicable student groups. ECS was designated as a middle performing charter in 2024 and 2025.

[4] Prior year LCAPs: https://www.sbcss.net/business/business-advisory-services/charter-schools-office/charter-lcaps

FINDINGS

The Review Team reviewed the Renewal Petition using the criteria established in EC 47605.6, 47607, and 47607.2 and the analysis is described below.

Clarifying questions were asked of ECS during the review process. A summary of the clarifying questions and responses are provided as Attachment B.

Finding 1: Sound educational program

The Review Team found the Renewal Petition describes a sound educational program. The Petition presents a cohesive academic framework aligned with the needs of the intended student population through a hybrid independent study model supported by individualized learning plans, flexible pacing, and Multi-Tiered System of Supports (MTSS). The educational program demonstrates alignment between instructional design, measurable pupil outcomes, and student progress monitoring practices. Outcome goals reflect state accountability priorities, and assessment systems include statewide assessments, interim benchmarks, and ongoing monitoring processes intended to support instructional planning and continuous improvement.

Additional information specific to the educational program is provided in Elements A-C below.

Finding 2: Ability to successfully implement the program set forth in the Petition

5 CCR 11967.5.1(c) provides *four indicators for consideration in determining whether charter petitioners are* "demonstrably unlikely to successfully implement the program." The indicators include past unsuccessful history with charter schools or other education agencies, familiarity with contents of petition and requirements of law applicable to charter schools, do not lack the necessary background in areas critical to the charter's success, and have not presented realistic financial and operational plans for the charter school.

The Review Team believes Petitioners are likely to successfully implement the program set forth in the Renewal Petition but does note areas of concern to be considered if the Renewal Petition is to be approved.

Areas of concern noted related to operations:

Related/Affiliated Parties: As described in the Background section of this Report, ECS, ECSCN, and the ECG Foundation are separate but related entities. ECS and ECSCN share a superintendent, executive leadership, and two board members, and the CEO of the ECG Foundation serves as CFO for both schools.

Staff requested clarification regarding why the entities do not issue consolidated audited financial statements, including any analysis prepared under FASB ASC 810 (Consolidation). The charter responded that consolidation is not required because the entities are separate nonprofit corporations with separate governance structures.

While staff acknowledges the legal separateness of the entities, ASC 810 requires consolidation to be evaluated based on the overall financial and operational relationship between entities, not solely governance structure. Based on the information provided in the Petition and responses to staff questions, ECG appears to rely substantially on fees received

through service agreements with ECS and ECSCN, reflecting the close financial relationship among the entities.

Although shared board membership alone does not determine consolidation, the overlap reflects governance alignment between ECS and ECSCN. *To reinforce independent governance structures, staff recommends discontinuing overlapping board membership.*

Staff acknowledges that each entity files a separate audit and that the audits properly disclose the related-party relationships, and appreciates this transparency. *To further support timely oversight, staff recommends that ECG submit its annual audit either concurrently with the charter schools' required audit submission deadline or no later than 30 days following issuance of the schools' audits.*

Scholarship Fund: During the charter's initial public hearing, ECS referenced the existence of a Scholarship Fund funded through voluntary employee payroll deductions and outside donations designated for scholarships. Following the hearing, staff requested additional information regarding the structure, governance, and administration of the fund.

ECS stated that it annually awards approximately 10–15 scholarships in the amount of $500 each and also provides scholarships to the valedictorian and salutatorians. No specific award amounts were identified for the valedictorian or salutatorians, other than that the total number of awards depended on amount of donations received. ECS also confirmed that scholarship payments are made directly to students rather than to the postsecondary institution.

Review of the June through December 2025 scholarship fund bank statements reflected larger disbursements than described above, including $11,500 to a valedictorian and $6,000 each to the salutatorians of ECS and ECSCN. ECS provided a donor-restricted alumni contribution letter that had been accepted by the governing board to support those awards. However, staff did not find evidence of a board policy formally establishing the fund or defining award limits, selection criteria, approval procedures, donor-restriction parameters, or fiscal controls. The fund was described as having been informally established in 2011.

Because the fund is administered by a public charter school and payments are made directly to individual students, the ECS board should clearly establish the fund's public purpose, parameters, and oversight structure and further ensure that there is no tacit requirement for employees to participate. Those safeguards are not currently in place.

If ECS is approved for renewal, staff recommends that the governing board be required to develop and adopt a comprehensive Scholarship Fund policy. The policy should articulate the fund's public purpose; define award parameters and selection procedures; address donor-restricted contributions; clarify payment and reporting responsibilities; and establish appropriate accounting and internal controls.

Staff strongly encourages the ECS board to evaluate whether administration of the Scholarship Fund would be more appropriately managed through the affiliated nonprofit foundation rather than directly through ECS.

While the Scholarship Fund reflects an intent to support students, the current structure lacks the governance framework expected of a public charter school. Adoption of a clear policy and strengthened controls will reduce legal and fiscal risk and help ensure consistent and transparent administration.

The following fiscal analysis is provided for the SBCBOE's consideration.

Financial Overview

ECS continues to be in excellent financial standing with a high ending fund balance. The table below provides a financial summary for ECS from FY 2020-21 through FY 2024-25.

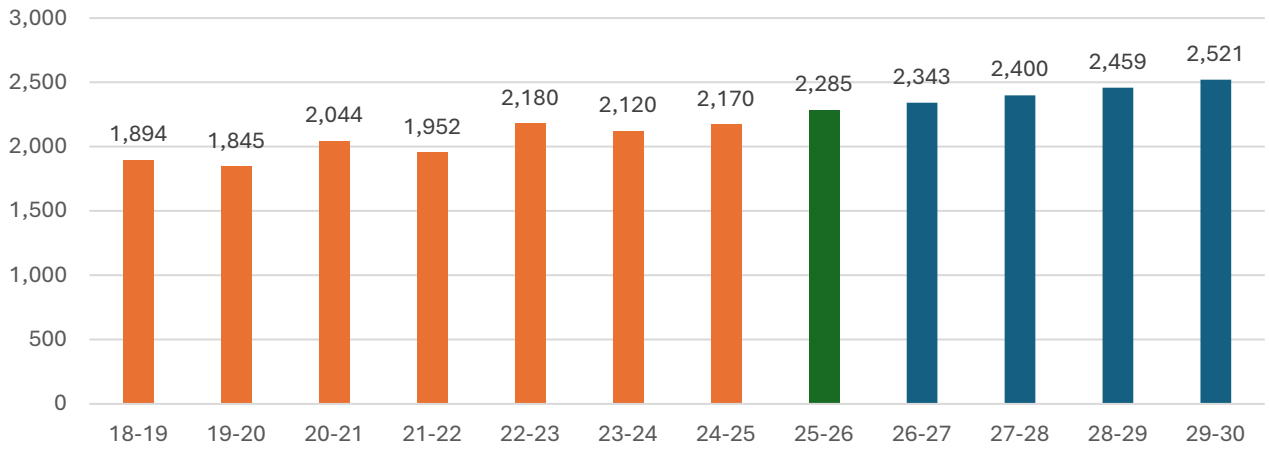
ECS Current Term Financial Summary

	2020-21	2021-22	2022-23	2023-24	2024-25
Revenue	$27,570,504	$27,494,562	$39,599,315	$35,943,874	$40,147,567
Expenditures	$23,547,233	$32,567,324	$32,575,768	$36,625,483	$39,350,558
Surplus/(Deficit)	$4,023,271	$(5,072,762)	$7,023,547	$(681,609)	$797,009
Ending Net Assets	$42,538,941	$37,466,179	$44,489,726	$43,808,117	$44,605,126
Audit Opinion	Unmodified	Unmodified	Unmodified	Unmodified	Unmodified

The Charter's financial summary for the current term reflects sustained fiscal stability. Although operating deficits occurred in 2021-22 and 2023-24, these were attributable to one-time pandemic-related revenues and expenditures, as well as facility-related costs, and do not indicate a structural deficit. Over the current term, the Charter generated surpluses in three years and increased its ending net assets overall, maintaining a strong reserve position throughout. The Charter received unmodified audit opinions each year and maintained a positive fiscal certification for the duration of the term. Collectively, these indicators demonstrate ongoing fiscal solvency and financial sustainability.

The chart below reflects ECS' actualized enrollment (2018-19 through 2024-25), current year enrollment (2025-26), and proposed enrollment projections (2026-27 through 2029-30). Overall enrollment at ECS has remained steady and has increased overall from its initial year to current year

ECS Historic, Current, Projected Enrollment



Based on past enrollment projections and actuals, the projections included in the Renewal Petition (p. 35) are reasonable. The table below shows ECS enrollment vs. actual enrollment for the last five years which reflects sound budgeting practices.

ECS Enrollment at budget adoption compared to enrollment on Census Day, 1st Interim, and 2nd Interim

	2020-21	2021-22	2022-23	2023-24	2024-25
Budgeted enrollment at budget	2,009	2,156	2,167	2,331	2,146
Census day enrollment (Actual)	2,044	1,952	2,180	2,120	2,170
Budgeted enrollment at 1st interim	2,056	2,031	2,272	2,185	2,220
Budgeted enrollment at 2nd interim	2,075	2,110	2,302	2,110	2,460

As described in the financial overview summary, ECS remains fiscally sound, with reserves exceeding required levels and stable audit results. Overall, the ECS governing board and leadership demonstrate sound fiscal stewardship, manages resources conservatively, and directs funds in a manner that prioritizes student needs and long-term financial stability.

Finding 3: Affirmation of each of the conditions required by statute

The Review Team believes the petition includes the required affirmations.

Finding 4: Reasonably comprehensive description of the required elements

The Review Team found, as detailed below, that the Renewal Petition generally includes reasonably comprehensive descriptions of the required elements, with the exception of the Governance and Admissions elements, where recommendations are provided for the SBCBOE's consideration.

The Review Team also notes that Elements D–P (4–16) are mislabeled and/or out of order in the Renewal Petition. The organization of the elements in the Renewal Petition more closely aligns with a petition submitted pursuant to Education Code 47605 (district authorization) rather than Education Code 47605.6 (countywide authorization). However, the required information was included and was evaluated against the applicable statutory requirements. The Review Team does not believe correction of this issue is necessary for approval and will address formatting concerns in future petitions.

Element 1/A: Description of the Educational Program [Pgs. 27-82]

The Review Team believes this element includes a reasonably comprehensive description. The petition identifies a target population of academically vulnerable students and outlines a hybrid independent study model supported by individualized learning plans, flexible pacing, and Multi-Tiered System of Supports (MTSS). Instructional practices and subgroup support demonstrate alignment with the school's mission and are designed to promote engagement, academic growth, and preparation for postsecondary pathways. Attendance documentation and sample schedules demonstrate alignment with independent study requirements, and differentiated supports are described for English Learners and students with disabilities.

Areas of strength and areas for improvement are noted below. Areas identified for improvement are provided as suggestions to the Petitioners only. The Review Team considers this element to be reasonably comprehensive as written and identified areas of improvement would only strengthen petition.

Strengths Identified in Petition

- Alignment between mission, instructional design, and individualized learning.
- Hybrid instructional model integrating personalized learning and MTSS.
- Structured subgroups support differentiated and inclusive practices.
- Attendance documentation aligned with independent study requirements.

Areas for Improvement Identified in Petition

- Measurable learner competencies should be further defined.
- Enrichment opportunities for advanced learners need greater clarity.
- Add additional detail about technology integration and assistive supports.

Element 2/B: Measurable Student Outcomes [Pgs. 83-101]

The Review Team believes this element includes a reasonably comprehensive description of measurable pupil outcomes aligned with state priorities and accountability expectations. Outcome goals address academic achievement, graduation readiness, and college and career preparation and demonstrate alignment with the instructional framework described in Element A.

Areas of strength and areas for improvement are noted below. Areas identified for improvement are provided as suggestions to the Petitioners only. The Review Team considers this element to be reasonably comprehensive as written, and areas identified for improvement would only strengthen petition.

Strengths Identified in Petition

- Outcome goals align with the educational program.
- Measures support academic growth and postsecondary readiness.
- Subgroup performance is considered.

Areas for Improvement Identified in Petition

- Performance benchmarks could benefit from clearer definition.
- Alignment between individualized learning and outcomes needs additional clarity.
- Include additional detail on how data supports improvement.

Element 3/C: Method for Measuring Student Progress [Pgs. 102-105]

The Review Team believes this element includes a reasonably comprehensive description of methods used to measure student progress. Assessment systems include statewide assessments, interim benchmarks, and ongoing monitoring practices aligned with the hybrid instructional model. The petition reflects a data-informed approach intended to support instructional planning and continuous improvement.

Strengths Identified in Petition

- The petition demonstrates use of multiple assessment measures to monitor student progress.
- The petition outlines monitoring practices aligned with instructional planning.
- The petition reflects an understanding of data-driven decision-making within the hybrid model.

Areas for Improvement Identified in Petition

- Limited detail on how assessment data is used consistently across sites.
- Connection between progress monitoring and MTSS interventions needs clearer articulation.
- Data reporting timelines and review structures would benefit from greater clarity.

Note for Clarity: The remaining elements in the Renewal Petition are mislabeled and/or presented out of order. As a result, they are identified by title only (e.g., "Element: [Title]") rather than by the statutory numbering sequence in Education Code section 47605.6.

Element: Facilities [Pgs. 106-107]

The Review Team believes this element includes a reasonably comprehensive description.

Element: Governance [Pgs. 101-115]

The Review Team believes this element includes a reasonably comprehensive description pending modification to the Renewal Petition and governance documents as described below.

a) Permissive Language: The Petition (p. 113) includes the following statement: "The Board may initiate and carry on any program or activity or may otherwise act in any manner which is not in conflict with or inconsistent with or preempted by any law and which are not in conflict with this charter or the purposes for which school are established." This language is taken from the "permissive code" of the Education Code which is not applicable to charter schools. (Ed. Code, § 35160.) Instead, charter schools are governed by the limitations of the applicable Education Code and the charter document. (See, Wilson v. State Board of Education (1999) 75 Cal.App.4th 1125, 1135

["The Charter Schools Act represents a valid exercise of legislative discretion aimed at furthering the purposes of education. Indeed, it bears underscoring that charter schools are strictly creatures of statute. From how charter schools come into being, to who attends and who can teach, to how they are governed and structured, to funding, accountability and evaluation-the Legislature has plotted all aspects of their existence."]; emphasis in original.) *If approved, this language should be stricken from the Petition*.

b) Conflict of Interest: The Conflict of Interest provision and Conflict of Interest Policy do not adequately address the reporting requirements applicable to charter schools. Although the Petition and Conflict of Interest Policy refer to the charter board submitting financial statements, it should be clarified that "key persons" (board members, administrators, and employees who make or influence financial/governmental decisions) are required to file the Form 700 to be compliant with the Political Reform Act. (See, Gov. Code, § 87200.5.) *If approved, the Petition and Conflict of Interest Policy should be revised to include these requirements*.

c) Location of Board Meetings: The Petition and Bylaws do not comply with the Education Code with regard to the location of board meetings. EC 47604.1 requires that for a charter school with multiple sites within a single county, the board meetings must be held within the county and provide for two-way conferencing at each school site. The Petition and Bylaws are currently drafted to allow the charter board to hold meetings anywhere in the state. And, while the Petition and Bylaws commit to compliance with the Brown Act, these documents do not incorporate the requirements of EC 47604.1 enacted by Senate Bill 126, designed to increase access and transparency. *If the Petition is approved, the Petition should be amended to require compliance with Education Code section 47604.1. It is also advised that the Bylaws be amended but it is noted that the Petition will control in any conflict between the Petition and the Bylaws per the language of the Petition*.

Element: Employee Qualifications [Pgs. 116-119]

The Review Team believes this element includes a reasonably comprehensive description.

Element: Health and Safety Procedures [Pgs. 120-140]

The Review Team believes this element includes a reasonably comprehensive description.

Element: Racial, Ethnic, English Learner, and Special Education Balance [Pgs. 141-146]

The Review Team believes this element includes a reasonably comprehensive description. The tables provided below are included to demonstrate the efforts ECS has made during its current charter term to ensure its student population is reflective of the County.

ECS: Demographic Trends Compared to San Bernardino County

Year	African American		Hispanic		White	
	ECS	SB County	ECS	SB County	ECS	SB County
2024-25	9.0%	7.5%	60.7%	68.4%	23.0%	13.8%
2023-24	10.0%	7.6%	58.4%	68.6%	24.8%	13.8%
2022-23	9.6%	7.7%	57.8%	68.2%	25.8%	14.3%
2021-22	9.8%	7.9%	50.7%	67.6%	29.9%	15.0%
2020-21	10.6%	8.0%	46.8%	66.8%	33.4%	16.0%
2019-20	10.0%	8.1%	42.5%	66.0%	37.5%	16.7%
2018-19	11.0%	8.2%	40.9%	65.5%	37.3%	17.2%

ECS: Student Group Trends Compared to San Bernardino County

Year	English Learner		Foster Youth		Homeless Youth		SED		SwD	
	ECS	SB County	ECS	SB County	ECS	SB County	ECS	SB County	ECS	SB County
2024-25	7.0%	14.2%	0.9%	0.8%	5.6%	5.2%	72.7%	73.8%	18.2%	14.7%
2023-24	6.7%	15.1%	0.7%	0.9%	4.5%	5.3%	66.1%	72.5%	17.5%	14.0%
2022-23	6.1%	15.7%	0.9%	0.9%	3.3%	4.7%	64.8%	71.4%	15.8%	13.3%
2021-22	4.2%	15.5%	0.7%	0.9%	2.0%	4.8%	53.1%	69.1%	14.4%	13.0%
2020-21	4.6%	14.7%	0.7%	0.9%	1.8%	5.6%	51.6%	72.1%	13.6%	13.0%
2019-20	3.6%	15.1%	0.7%	0.9%	3.1%	6.3%	53.3%	72.7%	11.8%	12.1%
2018-19	3.4%	15.9%	0.2%	0.9%	2.1%	5.7%	54.1%	72.3%	11.5%	12.3%

Element: Financial Audits [Pgs. 147-148]

The Review Team believes this element includes a reasonably comprehensive description.

Element: Suspensions and Expulsions [Pgs. 149-163]

The Review Team believes this element includes a reasonably comprehensive description.

Element: Employee Retirement [Pg. 164]

The Review Team believes this element includes a reasonably comprehensive description.

Element: Dispute Resolution [Pgs. 165-167]

The Review Team believes this element includes a reasonably comprehensive description.

Element: Public School Attendance Alternatives [Pg. 168]

The Review Team believes this element includes a reasonably comprehensive description.

Element: Post-Employment Rights of Employees [Pg. 169]

The Review Team believes this element includes a reasonably comprehensive description.

Element: Closure Procedures [Pgs. 170-172]

The Review Team believes this element includes a reasonably comprehensive description.

Element: Admissions [See Attachment A]

The Review Team believes this element includes a reasonably comprehensive description.

As part of the CSO's standard pre-review process, ECS submitted a draft renewal petition for informal internal review to confirm, at a high level, that the major required components were included prior to formal submission. The purpose of this step is to avoid delays during the formal review process and not to conduct a comprehensive evaluation.

Because the draft relied heavily on the charter's 2017 petition, significant reformatting and updates were needed to address statutory and programmatic changes. After the revised petition was formally submitted, staff determined that the Admissions element had not been included in the final version. Staff pulled the Admissions pages from the pre-review draft and worked with the charter to confirm that this was the language intended for inclusion in the final submission. *The Admissions element is included as Attachment A and should be incorporated into the petition to ensure the record reflects all required elements.*

SUMMARY OF FINDINGS

Overall, the Renewal Petition is sound and reflects the ECS' commitment to serving its students. A summary of the areas noted as potential concern includes the following:

Affiliated Parties [Staff Report pgs. 8-9]

- No later than July 1, 2026, discontinue overlapping board members serving on ECS and ECSCN governing boards
- ECG Foundation should agree to submit its annual financial audit no later than 30 calendar days after submission deadline required for ECS.

Scholarship Fund [Staff Report pgs. 9-10]

- Require the ECS governing board to develop and adopt a comprehensive Scholarship Fund policy.

Element: Governance [Staff Report pgs. 13-14]

- Strike permissive language as written on p. 113 from Petition.
- Revise Conflict of Interest Policy to clarify requirements for "key persons" to file a Form 700.
- Require the Petition be amended to comply with board meeting location requirements described in EC 47604.1. It is also suggested that the Bylaws be amended as well; however, per the language in the Petition, the Petition controls any conflict between Petition and Bylaws.

Element: Admissions [Staff Report pgs. 15-16]

- Approve the Incorporation of the Admissions language as part of the Renewal Petition.

CONCLUSION

It is recommended that the SBCBOE review the Staff Report, review any response from Petitioner, consider input from staff and from Petitioner (giving Petitioner equal time to present as provided to staff), and either grant or deny the Petition. Should the SBCBOE approve the Petition, it is recommended that such approval be conditioned upon entering the SBCBOE charter memorandum of understanding (MOU) in its final form and revision of the Renewal Petition as set forth in the Staff Report. Should the SBCBOE deny the Petition, this report may be adopted as the findings in support of denial.

The Board of Education has the following options regarding action on the Renewal Petition:

1. Approve the Renewal Petition adopting the Staff Report as the written findings supporting approval of ECS.
2. Conditionally Approve the Renewal Petition adopting the Staff Report as the written findings supporting approval of ECS with conditions:
    - Revise the Renewal Petition as set forth in this Staff Report; and,
    - Enter into the County's Memorandum of Understanding
    - Ensure compliance with each of the above requirements within 45 calendar days of the conditional approval.
3. Deny the Renewal Petition adopting the Staff Report as the written findings supporting denial.

ATTACHMENT A

Element: Admissions

ELEMENT H: ADMISSIONS REQUIREMENTS

"Admission policy and procedures, consistent with [Ed. Code 47605.6] subdivision (e) ." [Ref. Ed. Code § 47605.6(b)(5)(M)]

"In addition to any other requirement imposed under this part, a Excelsior is nonsectarian in its programs, admission policies, employment practices, and all other operations, will not charge tuition, and will not discriminate against any pupil on the basis of ethnicity, national origin, gender, gender identity, gender expression, or disability. Except as provided in paragraph (2), admission to Excelsior will not be determined according to the place of residence of the pupil, or of the pupil's parent or guardian, within this state.

Excelsior will admit all pupils who wish to attend the charter school.

Excelsior shall not discourage a pupil from enrolling or seeking to enroll in the charter school for any reason, including academic performance or any characteristic identified in Education Code §47605.6(e)(2)(B)(iii).

Excelsior shall not request or require a pupil's records prior to enrollment and shall not encourage any pupil to disenroll or transfer for any reason other than those consistent with Education Code §47605.6(e)(4)(C). Excelsior shall post the California Department of Education's "Charter School Enrollment Rights" notice on its website and shall provide a copy of this notice to all families. A parent, guardian, or pupil who believes that Excelsior has violated the enrollment or disenrollment provisions of Education Code §47605.6(e)(4) may file a complaint with the chartering authority using the CDE-provided template.

(B) If the number of pupils who wish to attend Excelsior exceeds Excelsior's capacity, attendance, except for existing students at Excelsior will be determined by a public random drawing. Preference will be extended to students currently attending Excelsior and students who reside in the county except as provided for in Section 47614.5. Preferences, including, but not limited to, siblings of students admitted or attending Excelsior and children of Excelsior's teachers, staff, and founders identified in the initial charter, may also be permitted by the chartering authority on an individual charter school basis. Priority order for any preference shall be determined in the charter petition in accordance with all of the following:

(i) Each type of preference will be approved by the chartering authority at a public hearing.

(ii) Preferences will be consistent with federal law, the California Constitution, and Section 200.

(iii) Preferences shall not result in limiting enrollment access for pupils with disabilities, academically low-achieving pupils, English learners, neglected or delinquent pupils, homeless pupils, or pupils who are economically disadvantaged, as determined by eligibility for any free or reduced-price meal program, foster youth, or pupils based on nationality, race, ethnicity, or sexual orientation.

(iv) In accordance with Section 49011, preferences shall not require mandatory parental volunteer hours as a criterion for admission or continued enrollment.

(C) In the event of a drawing, the county board of education shall make reasonable efforts to accommodate the growth of the charter school and in no event shall take any action to impede the charter school from expanding enrollment to meet pupil demand.

(3) If a pupil is expelled or leaves the charter school without graduating or completing the school year for any reason, the charter school shall notify the superintendent of the school district of the pupil's last known address within 30 days and shall, upon request, provide that school district with a copy of the cumulative record of the pupil, including report cards or a transcript of grades, and health information. If the pupil is subsequently expelled or leaves the school district without graduating or completing the school year for any reason, the school district shall provide this information to the charter school within 30 days if the charter school demonstrates that the pupil had been enrolled in the charter school. This paragraph applies only to pupils subject to compulsory full-time education pursuant to Section 48200.

(4) (A) Excelsior shall not discourage a pupil from enrolling or seeking to enroll in the charter school for any reason, including, but not limited to, academic performance of the pupil or because the pupil exhibits any of the characteristics described in clause (iii) of subparagraph (B) of paragraph (2).

(B) Excelsior shall not request a pupil's records or require a parent, guardian, or pupil to submit the pupil's records to the charter school before enrollment.

(C) Excelsior shall not encourage a pupil currently attending the charter school to disenroll from the charter school or transfer to another school for any reason, including, but not limited to, academic performance of the pupil or because the pupil exhibits any of the characteristics described in clause (iii) of subparagraph (B) of paragraph (2). This subparagraph shall not apply to actions taken by a charter school pursuant to the procedures described in subparagraph (J) of paragraph (5) of subdivision (b).

(D) The department shall develop a notice of the requirements of this paragraph. This notice shall be posted on a charter school's internet website. A charter school shall provide a parent or guardian, or a pupil if the pupil is 18 years of age or older, a copy of this notice at all of the following times:

(i) When a parent, guardian, or pupil inquires about enrollment.

(ii) Before conducting an enrollment lottery.

(iii) Before disenrollment of a pupil.

(E) (i) A person who suspects that a charter school has violated this paragraph may file a complaint with the chartering authority.

(ii) The department shall develop a template to be used for filing complaints pursuant to clause (i).

(5) Notwithstanding any other law, a charter school in operation as of July 1, 2019, that operates in partnership with the California National Guard may dismiss a pupil from the charter school for failing to maintain the minimum standards of conduct required by the Military Department. [Ref. Ed. Code § 47605.6(e)]

Admission to ECS shall be open to any resident of California who wishes to attend the school, as outlined in Education Code § 47605.6(e)(2)(A). Excelsior shall not discriminate on the basis of the characteristics listed in Education Code Section 220, including actual or perceived disability, gender, gender identity, gender expression, nationality, race or ethnicity, religion, sexual orientation, or any other characteristic that is contained in the definition of hate crimes set forth in Section 422.55 of the Penal Code or association with an individual who has any of the aforementioned characteristics.

ECS will be an open enrollment, tuition-free public school with no specific requirements for admission (e.g., minimum grade point average, test scores, discipline records, etc.). ECS will enroll all pupils who wish to attend to the extent that space allows.

I. APPLICATION AND ENROLLMENT PROCESS

The goal of the admissions policy of ECS is to attract, enroll and retain at ECS students representative of the rich diversity from the surrounding communities. ECS will recruit a diverse student population, including low achieving and low-income students, and will abide by all state and federal laws regarding admissions. Our recruitment plan is designed to achieve a racial and ethnic balance among our pupils that is reflective of the general population residing within the target community of San Bernardino County. ECS shall be nonsectarian in its programs, admission policies, employment practices, and all other operations, and shall not charge tuition or require any financial contribution as a condition of enrollment.

The school will establish an annual recruiting and admissions cycle, which shall include reasonable time for all of the following: (1) outreach and marketing, (2) orientation sessions for students and parents (conducted in English and Spanish at times that are convenient for families), (3) an admissions application period, (4) an admissions lottery, if necessary, and (5) enrollment. Outreach efforts will specifically include community-based organizations serving English learners, foster youth, and low-income families to ensure equitable access to information about enrollment opportunities.

As a charter school, ECS is a school of choice, and may have more students interested in attending the school than there are spaces available. If the number of students who wish to attend the school exceeds the openings available, entrance shall be determined by single random public drawing in accordance with Education Code §47605.6(e)(2)(B) and all applicable federal requirements.

Students who are currently enrolled and siblings of students who are currently enrolled shall be exempt from the lottery.

In accordance with applicable law and federal guidance, the following groups of students will receive preference in the lottery (in the order listed below):

- Pupils currently attending Excelsior
- Pupils who reside in the County
- [Children of the school's founders, facilitators, and staff not to exceed 10% of total enrollment.]

These preferences are consistent with state and federal charter school law. The preferences established will not have the effect of limiting access or negatively impacting the racial, ethnic, and socioeconomic balance the school strives to reflect. No other admissions exemptions or preferences will be assigned. The Excelsior Board may review and revise this preference policy as necessary for the well-being of the school.

In order to be eligible for enrollment in ECS, students must meet all applicable laws and regulations regarding enrollment in a public charter school, including immunizations, age at time of enrollment, no concurrent enrollment with a private school that charges tuition and no enrollment during a period of expulsion from another school. Participation in school activities or volunteering is encouraged but shall not be a condition for admission, continued enrollment, or preference in the lottery.

In order to be included in the admissions lottery (if a lottery is necessary), families must submit an application form. A copy of Excelsior's Admission Application Form may be found in *Appendix G*. Application materials will be made available in English and Spanish. The enrollment period will be advertised in English and Spanish through flyers, posters in prominent locations throughout the community, during informational meetings for parents, and announced on the school's website. Excelsior also may advertise through local media as the school's budget permits.

Open enrollment will take place from January 1 through the last Friday of March of the same year. All interested families will be required to submit a completed Admissions Application Form before 4:30 p.m. on the date of the annual deadline, which will be clearly indicated on the form and in all communications and notices (websites, flyers, etc.) regarding admission to the school. Application and enrollment forms will request only the information necessary to contact families and comply with state reporting requirements. No academic, disciplinary, or recommendation information will be required or considered in admissions decisions. Submitted Admission Application Forms will be

date- and time-stamped and student names will be added to an application roster to track receipt. Families who apply after the enrollment deadline will be added to the wait list in the order the applications are received.

Following the open enrollment period, applications will be counted to determine if any grade level has received a number of applications that exceed available seats. If the number of students who have applied for any grade exceed capacity as of the date of the application deadline the school will hold a single public random lottery to determine enrollment for the impacted grade level. In the event that the school has not received sufficient enrollment forms to fill to capacity at any grade level, all applicant families will be offered enrollment and additional spots will be filled on a first come, first served basis. All families who have applied for admission will be advised by email or phone of any changes to the date and time for the public random drawing. The public random drawing process will be conducted in accordance with applicable state law and federal requirements under the Charter Schools Program (CSP) to ensure fairness, transparency, and equal access.

Public notice will be posted regarding the date and time of the public drawing once the deadline date has passed. Notice will include an explanation that parents/guardians do not need to be present at the lottery, but may attend if they choose to do so.

The Principal and at least one other school employee will conduct the admissions lottery as a public event to ensure that lottery procedures are fairly executed. Explanation also will be provided to ensure that parents/guardians understand that the lottery numbers are just one step of the process, and that the school must also calculate spaces for those who are exempt from the lottery (e.g., currently enrolled students and siblings).

The lottery will occur within 60 days following the close of the open enrollment period. The lottery will be conducted at a time that is convenient for a majority of interested parties and will be open to the public. The school will inform parents of all applicants and all interested parties of the rules to be followed during the lottery process, location, date and time of the lottery. The school will choose a date and time for the lottery (either on the weekend or after 6 pm on a weekday) so that most interested parties will be able to attend. The lottery will be held at the school site if the school facility can accommodate all interested parties.

Admissions Application Forms, the manual record of all lottery participants and their assigned lottery numbers, and other lottery-related documents will be filed on campus, and lottery results and waiting lists will be readily available in the school's main office for inspection upon request. Each applicant's admissions application will be kept on file for the academic year with his or her assigned lottery number in the school database and on his or her enrollment application.

The random public lottery determines applicants' wait list status. Those who apply after the lottery deadline are added to the end of the lottery waitlist in the order they are received. Vacancies that occur during the school year will be filled according to the wait list. When an offer occurs during the school year, families will be contacted in the order of the wait list and will be given 48 hours to decide whether or not to accept a space at the school. In the event that no such wait list exists where the space is available, the space will be made available on a first come, first served basis to the next interested family at the appropriate grade level.

The wait list for the current school year remains active until Excelsior's admissions period commences for the following year. Applications are only valid for the current year. Applicants must reapply for the lottery annually if the school is unable to offer them admission for the current year.

ECS reserves the right to modify the enrollment process and preferences to comply with the requirements of the federal PCSGP in any year in which Excelsior receives these funds. All lottery policies and protocols may also be revised as deemed necessary by the Board of Directors. Such changes will not be deemed a material revision of the charter.

A. McKinney Vento Homeless Assistance Act

ECS adheres to the provisions of the McKinney-Vento Homeless Assistance Act and ensure that each child of a homeless individual and each homeless youth has equal access to the same free, appropriate public education as provided to other children and youth.

B. Every Student Succeeds Act

ECS adheres to all admission and enrollment provisions of Every Student Succeeds Act (ESSA) pertaining to Public School Choice and other legal requirements.

ATTACHMENT B

Clarifying questions and responses

Clarifying Questions and Answers asked During ECS Renewal Process

**Some responses may have been edited for clarity*

QUESTIONS/RESPONSES #1

1. Provide current student enrollment and demographic/student group data for each of Excelsior's locations.

    a. *Spreadsheet provided 01.16.26 via email @7:39am*

2. Provide information on the scholarship fund mentioned during the PH presentation. How it's funded, why it's running through ECS, board policy on the scholarship fund, how and to whom it's awarded (students/staff), and any other info that might help us to better understand the scholarship fund.

    a. *Response provided via email on 01.16.26 via email @7:28am. Documentation included 1) Senior Scholarship Application, 2) 7-11th grade Staff Scholarship Application 2024-25, and 3) Staff Payroll Deduction Form.*

    Explanation: The Staff Scholarship Program was established in 2011. Staff sign up voluntarily for the program each year, and [ECS/ECSCN/ECG Foundation] deduct their donations each payroll from August to May. The funds generated are deposited into a stand-alone bank account and from there, the annual scholarships are paid. This account is tracked in [ECS/ECSCN/ECG Foundation] financial system under its own resource code. As a 501(c)(3) non-profit agency, by January 31 of each calendar year [ECS/ECSCN/ECG Foundation] issue[s] a letter to staff informing them of the amount donated for tax purposes.

    [ECS/ECSCN/ECG Foundation] annually fund [ECS and ECSCN] Valedictorian, Salutatorians, 3-5 Senior scholarships, and 5-10 grade level scholarships, from 7th to 11th grades. For the grade level scholarships and senior scholarships, the students submit an essay and/or application, and judges from the donor staff determine the winners. The 7-11th grade scholarships are held in trust until the student graduates from Excelsior. The scholarship amounts vary and are dependent on the amount of donations that are generated. We have averaged $11,000 to $13,000 annually over the past 10 years. I have attached a copy of the Payroll Deduction Form and the 2024/25 Student Applications for reference.

QUESTION/RESPONSES #2

SCHOLARSHIP FUND

1. Is there a board policy that governing the Scholarship Fund? If so, please provide the policy. If not, please explain why no policy exists.

    - As a 501(c)3, there is a policy that addresses fund raising and grant solicitation, but not specific to the scholarship fund. The scholarship fund and bank account were established prior to/or around 2008 when EEC 501(c)3 was formed, prior to the current CBO's hire date. We are researching if there was board action around or prior to that date.

        [Excerpt of ECS financial policies related to fundraising] Fundraising, Grant Solicitation, and Donation Recognition
        All non-student fundraising or grant solicitation activities on behalf of the School must be approved in advance by the Board. The Board shall be informed of any conditions, restrictions, or compliance requirements associated with the receipt of such funds, including grants or categorical programs sponsored by the state or federal government. The Board shall be notified no later than the next regular board meeting of the award or receipt of any funds and shall approve the receipt of any grants, donations, or receipts of fundraising proceeds.

2. January 15 email states that the Scholarship program was established in 2011. How was the program established? Did the ECS board formally approve the creation of this program/fund? If so, please provide evidence of the Board's action.

    - Prior to 2011, there was a scholarship fund with money that was designated for the Valedictorian and Salutatorian scholarships from prior donations and other means. Those funds were being depleted. In 2011, in order to raise more funds for the students, we informally established a voluntary program for staff to donate specifically to scholarships for students into the established scholarship fund. ECS Board was aware of the intent, and at one point tried to establish a Board member contribution for a Board scholarship, but that did not continue.

3. How are staff members made aware that they may contribute to the scholarship fund?

    - Annually at the end of the year, we recognize staff that contributes at our end-of-year meeting and staff is given the opportunity via a signed donation form to voluntarily participate. At the beginning of each school year, we also send out the forms again via email. This multi-layered communication approach and recognition ensures transparency, ongoing engagement, and continued staff awareness of the scholarship program.

4. How are students made aware of scholarship opportunities?

    - In the spring of each year, the student services department reaches out to the staff and students via email to make them aware of the opportunities for the grade level and senior scholarships and to garner interest. The Valedictorian and Salutatorian are awarded based on their academic merit.

5. Please confirm if the scholarship fund/account is audited annually and whether it is included in the ECS or ECG audit?

- The scholarship account is under ECS and the auditors review the bank account and fund annually. All transactions are recorded separately by resource code and the information is provided to the auditors.

6. Do staff contributions go directly into the Scholarship Fund bank account, or are they deposited elsewhere and later transferred? Please explain the process.

    - For each organization, the staff donation is held in the specific payroll bank account until the end of the year. At the end of each fiscal year, the total amount is determined that was donated by staff of each organization and a transfer is made to the scholarship fund.

7. Is the Scholarship Fund account used to receive donations from outside organizations?

    - Yes, specifically for student scholarships. Other donations are accepted into the regular bank account of each organization.

8. Please provide a detailed description of how Scholarship Fund contributions (staff and non-staff) are accounted for. Specifically, indicate whether an itemized record of donations by employee and/or outside organization is maintained.

    - Payroll has a specific deduction code for the scholarship, and that information is readily available. The payroll deduction code is used to determine the amount that each staff member contributes annually. The reports generated from that deduction code are also used to complete a tax letter that is issued to staff members at the end of each calendar year.

      Outside organizations donations are submitted to the board at each board meeting, as they come in. Most outside organizations have a specific goal when issuing scholarship and we honor those requests when we accept the donation.

9. Are payments from the Scholarship Fund issued exclusively to students?

    - Yes.

10. Please confirm the scholarship award amounts available to students. Based on the two applications provided, it appears the maximum award is $500 per student, with 12 students selected annually (9 selected by staff and 3 seniors). However, foundation bank statements and reconciliations reflect scholarship disbursements ranging from $500 to $10,000, with two students receiving approximately $17,500 total ($6,000 and $11,500). Please explain this discrepancy.

    - The amount of scholarship funds is determined annually by donations from staff. We annually fund our Valedictorian, Salutatorians, 3-5 Senior scholarships, and 5-10 grade level scholarships, from 7th to 11th grades. For the grade level scholarships and senior scholarships, the students submit an essay and/or application, and judges from the donor staff determine the winners. The 7-11th grade scholarships are held in trust until the student graduates from Excelsior. The donor committee is selected each year via volunteers that respond to the donor email which is sent to all contributors.

In 2024/25, there was a significant donation from an Excelsior alumnus that wanted to give generous scholarships to the Valedictorian and Salutatorians. The board accepted that donation on 2/26/25.

FACILITY RELATED

1. Provide a description of all real property owned by ECS and/or ECG including address, ownership information, current and/or planned use, and associated costs.

    - See attachment 1 provided that details all property and planned uses.

2. Provide a description of all facilities or real property leased by ECS and/or ECG including address, leaseholder, purpose/use of property, and associated costs.

    - See attachment 1 provided details all property and planned uses.

3. Provide all current facility related agreements/contracts between ECS and ECG including an updated Civic Drive agreement (the petition includes only the 2024-25 agreement).

    - See attachment 5. There is a contingency in the agreement that it automatically rolls each year. There was no change to the lease amount, and the agreement rolled to 25/26. Agreements have been uploaded for your review.

4. During the 2024 SBCSS debt review, refinancing of the Ontario property was discussed. Was the property refinanced? If yes, provide details. If no, explain why refinancing did not occur.

    - Excelsior is presently negotiating with the bank for financing for the construction of the Barstow Campus, the purchase of North Victorville and the refinance of the Ontario campus. The intent is to garner favorable rates and a tax-exempt loan for the combined campuses. Our goal is to have the financing and refinance completed by July of 2026.

ECG FOUNDATION

1. Provide list of ECG employees, including job titles.

    - See attachment 2.

2. Provide list and detailed description of employees shared through the 2025-26 Employee Services Sharing Agreement including job title, employer of record, method of time tracking, and rationale for sharing each position. As stated in the Agreement, please provide three different mutually established "work schedules" and invoices for each month of the current year.

    - In 2016, when ECG officially began operations, the intent was to operate as a CMO and have all employees work under the ECG corporation, including certificated staff. With changes in the law (SB 1505), we were looking at a minimum of 6 different schools with different authorizers and accounting and paperwork to split all staff salaries would have been monumental. Our goal was to consolidate all the costs under one organization to be able to serve all the different school entities that we would be establishing. At that time, all classified staff members were transferred to ECG apart from a few that were grandfathered at ECS to finish their terms of employment.

Once we determined that the CMO was not the path we would take, that retirement programs would be affected, and that we would be applying for a county-wide charter, we worked with counsel to ensure that we would be able to share employees across the organization, if necessary. We continued to hire and replace classified positions from ECG to reduce the liability to the schools and to reduce the cost of the classified work force with an alternative to PERS.

At present, we have no staff that work for more than one organization other than the Superintendent with the 2 schools, under contract. All certificated staff are hired to their specific school organizations and continue to participate in STRS.

3. The link to access the ECG fiscal policies directs me to what appears to be a Diligent login page. Please correct issue and provide a copy of the ECG fiscal policies.

    - See attachment 3. We have verified that the link is working. https://excelsiorcharterschoolsfoundation.com/board-of-directors/board-policies

4. The signed Professional Services Agreement and Exhibit A lack specificity regarding the services provided. Please elaborate or provide a detailed description of the three bullet points of Exhibit A.

    - Excelsior Charter Group provides the following to ECS and ECSCN:
        Budget and Financial Services and Required Reporting
        Audit and Non-Profit Tax Forms Coordination and Reporting
        Payroll and Required Reporting, including Tax Payments
        Purchasing
        Accounts Payable
        Human Resource and Required Reporting
        Information Technology Support
        Maintenance, Warehouse and Facility Services
        Custodial Services
        Student Attendance Verification and Reporting
        Classified Staff Support

5. Provide copies of monthly invoices submitted for the Professional Services Agreement.

    - See attachment 4

FINANCIAL AUDIT

1. Please explain why ECS, ECSCN, and ECG do not issue consolidated audited financial statements, including any analysis prepared under FASB ASC 810 (Consolidation).

    - Each entity is a separate nonprofit corporation and/or separate local educational agency. It would be improper, in our opinion, to consolidate audited financial statements as each entity is entirely separate and governed individually.

      FASB ASC 810 provides an additional explanation.

      ASC 810 outlines the criteria for determining whether an entity should consolidate another entity's financial statements. This is typically required when one entity has a controlling financial interest in another, which can be established through ownership of a

majority voting interest or through other arrangements that provide control. None of the ASC 810 control criteria apply here. Each entity is governed separately and cannot control the finances or actions of the other entities in any way.

The determination of control is crucial in consolidation decisions. ASC 810 emphasizes that control can be established through various means, not solely through voting interests. This includes contractual arrangements and other relationships that may influence the financial performance of the entity. Again, there are no controlling relationships of any kind between each of these entities.

The financial audit report from each agency does note the affiliation and related party transactions.

QUESTION/RESPONSE #3

1. Please provide context/clarity to the statement made in "Note 12 – Related Party Transactions" in ECS's 2024-25 financial audit. Specifically, does the highlighted sentence refer to SBCBOE not allowing Excelsior to make changes to the Charter's articles of incorporation or is that referring to VVUHSD? Also, please explain the changes that were proposed that were not allowed.

   For reference Audit Note 12 states: ***"Excelsior Charter Group*** *In April 2015, the Board of EEC, Inc. formed a separate nonprofit public benefit corporation known as Excelsior Charter Group (ECG). In May 2015, the Charter entered into an affiliation agreement with ECG noting certain changes in governance, integration, and transfer of assets pending notice from the California Attorney General. The authorizing agency of the Charter did not allow for certain material changes to the Charter's articles of incorporation and therefore, ECG and the Charter have remained separate but affiliated organizations for the fiscal year ended June 30, 2025."*

   - The agency referred to in the audit would be VVUHSD. As mentioned, ECG was formed in order to start a CMO. VVUHSD was not receptive to changes of this nature so we had to take a different path. Ultimately, the Board and Cabinet determined that a CMO was not what was best for Excelsior.

2. ADDITIONAL CLARITY NEEDED. A. Arrington sent follow up email that stated "Hi Alicia,
   I still need a bit more specificity. The note states that the authorizing agency did not allow certain material changes to the Charter's articles of incorporation.

   Can you please clarify:
   Were changes actually proposed to ECS's Articles of Incorporation that "VVUHSD was not receptive to"?
   Or was ECS seeking to amend ECG's bylaws to establish ECS as the sole statutory member or vice versa?
   What exactly was proposed to VVUHSD, and in what form (formal submission, draft documents, etc.)?

   I appreciate the continued assurance that ECG is currently a separate entity. I'm trying to both better understand and also capture for our internal records the historical and current governance relationship between ECS and ECG. Ideally, this information will help to inform our oversight of ECS long after we've all retired and stopped thinking about things like this.

If you would prefer, you are welcome to give me a call to discuss.

Thanks,
Angel

- 2.19.26 A. Anderson called A. Arrington and explained that the conversations with VVUHSD regarding the possible change were informal. Nothing was formally submitted to VVUHSD based on the informal conversation.

  During the call, A. Arrington suggested ECS confirm the audit disclosure as currently stated is correct. Mentioned language in Note 11 regarding special education and oversight fees appears incorrect. Also mentioned language in Note 12 regarding ECSCN that states ECSCN has a three member board and all board members are also ECS board members.

QUESTION/RESPONSE #4

1. Please confirm if the scholarship awards are paid directly to the student(s) or to the institution(s)? And, if paid directly to the student, is an award letter provided that specifies how the award can be spent (qualified and/or non-qualified education expenses)?

   - The awards are paid directly to the student and can be used for nonqualified expenses.

QUESTION/RESPONSE #5

1. Do the board members that serve on both the ECS and ECS Corona-Norco receive the $400 compensation from each board? So, total would be $800 per month for those board members, correct?

   - The answer is yes for the Directors that serve on both boards. Right now, that's 2 Directors, Navid McCarthy (service terminates June 2026 for both) and Sara Ontiveros (newly appointed to ECSCN. I believe 2 months ago but will ask Alicia to confirm tomorrow if the date is necessary). *CSO staff confirmed dates were not necessary*