California Department of Education

Charter Schools Division

Created 03/2025

accs-apr25item01

Attachment 26

# Nonclassroom-Based Funding Determination Request

CALIFORNIA DEPARTMENT OF EDUCATION

This document presents the determination of funding request from Southern California Flex Academy (Charter #1975). Information from the school has been exported from the web-based Funding Determination Form found on the [Nonclassroom-Based Determination of Funding web page](https://www.cde.ca.gov/sp/ch/nclrbifunddet.asp#form).

Responses from the school have been provided, as is, and have not been edited by the California Department of Education (CDE) for capitalization, punctuation, or spelling.

## Southern California Flex Academy Determination of Funding Request 2024–25

### Section 1. General Information

Charter School Information

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Charter School Name | Southern California Flex Academy |
| Charter School Authorizer | Lucerne Valley Unified |
| Charter School Number | 1975 |
| County District School (CDS) Code | 36-75051-0138107 |
| Street Address | 8560 Aliento Rd |
| City | Lucerne Valley |
| County | San Bernardino |
| ZIP Code | 92356 |
| Grade Levels Served | K, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 |
| Date Charter Expires | 6/30/2026 |
| Contact First Name | Michelle |
| Contact Last Name | Romaine |
| Contact Title | Chief Executive Officer |
| Contact Phone Number | 626-755-5873 |
| Contact Email Address | mromaine@scfa.org |

Funding Determination Request Information

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Is this a reconsideration request? | No, this is not a reconsideration request. |
| Requested Funding Level | 100% |
| Beginning Period Requested | FY 2025–26 |
| Number of Years Requested | 5 |
| Source Data | FY 2023–24 Audit |
| If the source data used was “Other”, provide a description. | [No Response] |

### Section 2. Financial Information

#### A. Total Resources

Revenues and Other Resources

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Federal Revenues[[1]](#footnote-1) | $265,524 |
| Public Charter School Grant Program Funds (separately identified) | $0 |
| State Revenues[[2]](#footnote-2) | $8,068,216 |
| In-Lieu Property Taxes (separately identified) | $220,726 |
| Local Revenues | $0 |
| Other Financing Sources | $0 |
| **Total Revenues** | **$8,333,740** |

**If Other Financing Sources were reported, provide a description:**

[No Response]

#### B. Total Expenditures and Other Uses

Instruction and Related Services

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Certificated Salaries and Benefits | $4,106,535 |
| Classified Salaries and Benefits | $56,415 |
| Books, Supplies, and Equipment | $726,221 |
| Services and Other Operating Costs: Contracts for Instructional Services | $0 |
| Services and Other Operating Costs: Contracts for Instructional Support | $0 |
| Services and Other Operating Costs: All Other Instruction-Related Operating Costs | $2,090,164 |
| **Total Instruction and Related Services** | **$6,979,335** |

Operations and Facilities

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Certificated Salaries and Benefits | $0 |
| Classified Salaries and Benefits | $0 |
| Books, Supplies, and Equipment | $0 |
| Services and Other Operating Costs | $30,970 |
| Facilities Acquisition and Construction | $0 |
| **Total Operations and Facilities** | **$30,970** |

Allowable Facilities Costs

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Total facility square footage occupied by the charter school | 797 |
| Enter total classroom-based P-2 ADA reported in the prior fiscal year. Do not include nonclassroom-based ADA. | 0 |
| Enter total student hours attended by nonclassroom-based pupils at the school site in the prior fiscal year. | 0 |
| Calculated Facilities Costs | $0 |
| **Allowable Facilities Costs** | **$0** |

Administration and All Other Activities

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Certificated Salaries and Benefits | $168,795 |
| Classified Salaries and Benefits | $225,661 |
| Books, Supplies, and Equipment | $0 |
| Contracts for Other Administrative Services | $213,958 |
| Supervisorial Oversight Fee | $70,954 |
| All Other Administration and Other Activities, Services, and Operating Costs | $167,245 |
| **Total Administration and Other Activities** | **$846,613** |

**Additional information regarding Supervisorial Oversight Fee:**

[No Response]

Other Outgo and Other Financing Uses

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Debt Services | $43,248 |
| Transfers to Local Educational Agencies | $0 |
| All Other Transfers and Outgo | $0 |
| **Total Other Outgoing and Other Financing Uses** | **$43,248** |

**Describe the nature of the transaction(s) for Transfers to Local Educational Agencies and identify the accounts or entities involved in the transfer(s).**

[No Response]

**Describe the nature of the transaction(s) for All Other Transfers and Outgo and identify the accounts or entities involved in the transfer(s).**

[No Response]

#### C. Fund Balance

Total Expenditures and Fund Balance

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Total Expenditures | $7,900,166 |
| Revenues Over Expenditures | $433,574 |
| Beginning Fund Balance | $151,898 |
| **Ending Fund Balance – June 30** | **$585,472** |

#### D. Reserves

Reserves

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Designated for Economic Uncertainties | $0 |
| Facilities Acquisition or Capital Projects | $0 |
| Reserves Required by Charter Authorizer | $0 |
| Other Reserves | $0 |
| Unassigned/Unappropriated Fund Balance | $585,472 |
| **Total Reserves** | **$585,472** |

Reserves as a Percentage of Total Expenditures

| **Reserves** | **Percentage of Total Expenditures** |
| --- | --- |
| Designated for Economic Uncertainties | 0.00% |
| Facilities Acquisition or Capital Projects | 0.00% |

**Explanation for reserves designated for economic uncertainties if these reserves exceed the greater of $50,000 or 5 percent of total expenditures:**

[No Response]

**Explanation of Other Reserves:**

[No Response]

**Explanation for reserves designated for facilities acquisition or capital projects if these reserves exceed the greater of $50,000 or 5 percent of total expenditures:**

[No Response]

**Explanation of school’s unassigned/unappropriated fund balance and details regarding the school’s plans for these funds: *(Optional)***

[No Response]

### Section 3. Pupil-Teacher Ratio

Pupil-Teacher Ratio

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| FY 2023–24 Average Daily Attendance for independent study pupils pursuant to 5 *CCR* Section 11963.3(b)(2) | 544 |
| FY 2023–24 Full-Time Equivalent certificated employees responsible for independent study pursuant to 5 *CCR* Section 11963.3(b)(2) | 33 |
| FY 2023–24 Full-Time Equivalent certificated employees pursuant to 5 CCR Section 11963.3(b)(8) | 31 |

### Section 4. Funding Determination Calculations

Calculated Percentages

| **Criteria** | **Funding Determination Calculations** |
| --- | --- |
| Percentage Spent on Instructional Certificated Salaries and Benefits to Total Public Revenues | 49.28% |
| Percentage Spent on Instruction and Related Services and Allowable Facility Costs | 83.75% |
| FY 2023–24 Pupil-Teacher Ratio | 16.48 to 1 |

### Section 5. Supplemental Information

#### A. Virtual Charter Schools

Virtual Charter Schools

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Is this charter school a virtual or on-line charter school as defined in 5 *CCR* Section 11963.5? | Yes |
| If yes, can the charter school demonstrate compliance with 5 *CCR* sections 11963.5(b)(2) to (8)? | Yes |

#### B. Entity and Contract Information

Entity and Contract Information

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Did any entity receive or will receive $50,000 or more or 10% or more of total expenditures from the school in FY 2023–24 or FY 2024–25? | Yes |
| Number of reportable entities | 11 |

##### List of Reported Entities

Reported Entity 1

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Name of Entity | Charter School Management Corporation |
| Amount | $209,500 |
| Purpose/Explanation | Back-office support and consulting |
| Are contracts based on specific services rendered? | Yes |
| If no, are payments based on amount per ADA or some other percentage? | [No Response] |

Reported Entity 2

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Name of Entity | Young, Minney & Corr, LLP |
| Amount | $100,396 |
| Purpose/Explanation | Legal services |
| Are contracts based on specific services rendered? | Yes |
| If no, are payments based on amount per ADA or some other percentage? | [No Response] |

Reported Entity 3

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Name of Entity | Strongmind, Inc. |
| Amount | $220,000 |
| Purpose/Explanation | Curriculum |
| Are contracts based on specific services rendered? | Yes |
| If no, are payments based on amount per ADA or some other percentage? | [No Response] |

Reported Entity 4

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Name of Entity | San Bernardino County Superintendent of Schools |
| Amount | $860,162 |
| Purpose/Explanation | STRS payments & SELPA SPED fees |
| Are contracts based on specific services rendered? | Yes |
| If no, are payments based on amount per ADA or some other percentage? | [No Response] |

Reported Entity 5

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Name of Entity | PowerSchool Group LLC |
| Amount | $93,910 |
| Purpose/Explanation | Enrollment database and student information system |
| Are contracts based on specific services rendered? | Yes |
| If no, are payments based on amount per ADA or some other percentage? | [No Response] |

Reported Entity 6

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Name of Entity | The Stepping Stones Group LLC |
| Amount | $384,961 |
| Purpose/Explanation | SPED and counseling services |
| Are contracts based on specific services rendered? | Yes |
| If no, are payments based on amount per ADA or some other percentage? | [No Response] |

Reported Entity 7

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Name of Entity | Charter Tech Services |
| Amount | $461,596 |
| Purpose/Explanation | IT services and support, equipment, electronic supplies |
| Are contracts based on specific services rendered? | Yes |
| If no, are payments based on amount per ADA or some other percentage? | [No Response] |

Reported Entity 8

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Name of Entity | Lucerne Valley Unified School District |
| Amount | $198,018 |
| Purpose/Explanation | oversight and admin fees |
| Are contracts based on specific services rendered? | Yes |
| If no, are payments based on amount per ADA or some other percentage? | [No Response] |

Reported Entity 9

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Name of Entity | Berry Speech & Language Pathology PC |
| Amount | $68,333 |
| Purpose/Explanation | SPED services - speech and language therapy |
| Are contracts based on specific services rendered? | Yes |
| If no, are payments based on amount per ADA or some other percentage? | [No Response] |

Reported Entity 10

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Name of Entity | CAMI Services LLC |
| Amount | $61,300 |
| Purpose/Explanation | SPED services - school psychologist |
| Are contracts based on specific services rendered? | Yes |
| If no, are payments based on amount per ADA or some other percentage? | [No Response] |

Reported Entity 11

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Name of Entity | Accel Online California, LLC |
| Amount | $976,320 |
| Purpose/Explanation | Student Support Continuity Services Agreement |
| Are contracts based on specific services rendered? | Yes |
| If no, are payments based on amount per ADA or some other percentage? | [No Response] |

#### C. Current Governing Board Information

Entity and Contract Information

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Number of board members | 3 |

##### List of Board Members

Board Member 1

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| First Name of Board Member | Lynn |
| Last Name of Board Member | Wirt |
| Title of Board Member | Treasurer |
| Board Member Type | Community member |
| How was this member selected? | Elected by the board |
| Is this board member affiliated in any way with any of the reportable entities listed in the Entity and Contract Information section? | No |
| If so, explain the nature of the affiliation. | [No Response] |
| Board Member Term (MM/YYYY to MM/YYYY) | 05/2024 to 05/2025 |

Board Member 2

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| First Name of Board Member | Ann |
| Last Name of Board Member | Lee |
| Title of Board Member | Member |
| Board Member Type | Community member |
| How was this member selected? | Elected by board |
| Is this board member affiliated in any way with any of the reportable entities listed in the Entity and Contract Information section? | No |
| If so, explain the nature of the affiliation. | [No Response] |
| Board Member Term (MM/YYYY to MM/YYYY) | 05/2024 to 05/2025 |

Board Member 3

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| First Name of Board Member | Stephanie |
| Last Name of Board Member | Van Epps |
| Title of Board Member | Secretary |
| Board Member Type | Teacher |
| How was this member selected? | Elected by board |
| Is this board member affiliated in any way with any of the reportable entities listed in the Entity and Contract Information section? | No |
| If so, explain the nature of the affiliation. | [No Response] |
| Board Member Term (MM/YYYY to MM/YYYY) | 05/2024 to 05/2025 |

### Section 6. Mitigating Circumstances

**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. List and explain the mitigating circumstances to be considered by the CDE and Advisory Commission on Charter Schools (ACCS).**

[No Response]

### Section 7. Additional Information

**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.**

When Southern California Flex Academy (formerly known as Virtual Prep Academy at Lucerne) last came before the ACCS and SBE in 2023 seeking renewal of its funding determination, ACCS members raised questions and concerns because of the extent that a significant portion of the school’s revenue had been allocated towards a comprehensive services agreement with an educational operations firm, Accel Schools, which constituted approximately 40% of the school’s revenues as of the 2021-22 school year. The execution of that agreement with Accel predated current school leadership and was a source of serious concern for administration and the school board.

Although some of the pertinent details could not be disclosed at the time of the school’s last funding determination request due to litigation risk between the school and Accel, around that time the school’s board and administration worked closely with outside legal counsel to terminate the school’s relationship with Accel as of July 1, 2023.

Upon termination, Accel engaged litigation counsel and threatened to sue to force the school to remain in the contract for three more years through June 2026, and otherwise indicated its intent to seek extensive monetary damages for what Accel alleged to be the school’s breach. At that time, Accel also withheld critical school data that was necessary to serve students and for compliance purposes.

In the interests of minimizing financial exposure and ensuring continuity for students, teachers, and staff, the school entered into a settlement agreement with Accel. The settlement agreement required Accel to accept the school’s termination, release the school from financial liability to Accel, return the school’s data, and provide transition support. In exchange, the school was obligated to contract with Accel for one more year for certain services related to supporting students in onboarding and transition services. As of the 2023-24 school year, the school transitioned to reputed California back-office provider CSMCI for back-office fiscal services, and the school directed procured its curriculum, student information system, learning management system, and other student support systems. Accel ceased providing the final remaining services subject to the settlement as of June 2024.

For cash flow management reasons, certain payments to Accel for the remaining services continued to be paid in the 2024-25 school year, however, the school has since completed making those payments. In short, the payments to Accel for services in the 2023-24 school year and termination of the agreements represents a total savings of at least $7.8 million to the school and a significant reduction in the percentage of revenue directed to Accel (10% in 2023-24 versus 40% in 2021-2022, and which will be 0% by 2025-26). We are pleased to be fully independent of Accel at this time.

We are dedicated to ensuring that our funding is allocated to benefit students to the maximum extent. Although our school utilizes a virtual learning modality, we foster personal relationships with every student and provide comprehensive intervention through close collaboration among students, teachers, and parents. Our typical student enrolls at our school with significant preexisting academic deficits, adverse childhood experiences and socioeconomic disadvantage (including homelessness for a sizeable number of students).

We see firsthand that our students need and benefit from the alternative education program we offer. We respectfully ask that the ACCS recommend and the SBE approve a 100% funding determination for five years through the 2029-2030 school year.

### Section 8. Certification

**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.**

**Enter your name below which will serve as a signature and certify agreement with all of the above terms.**

Michelle Romaine

**Indicate whether the certification is from the charter school's director, principal, or governing chairperson:**

Director

1. Includes Public Charter Schools Grant Program funds, if applicable [↑](#footnote-ref-1)
2. Includes In-Lieu of Property Taxes, if applicable [↑](#footnote-ref-2)