California Department of Education

Charter Schools Division

Created 03/2025

accs-apr25item02

Attachment 2

# Nonclassroom-Based FundingDetermination Request

CALIFORNIA DEPARTMENT OF EDUCATION

This document presents the determination of funding request from Fusion Charter (Charter #1695). 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.

## Fusion CharterDetermination of Funding Request 2024–25

### Section 1. General Information

Charter School Information

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Charter School Name | Fusion Charter |
| Charter School Authorizer | Turlock Unified |
| Charter School Number | 1695 |
| County District School (CDS) Code | 50-75739-0131185 |
| Street Address | 441 West Linwood Avenue |
| City | Turlock |
| County | Stanislaus |
| ZIP Code | 95380 |
| Grade Levels Served | 7, 8, 9, 10, 11, 12 |
| Date Charter Expires | 6/30/2025 |
| Contact First Name | Susan |
| Contact Last Name | Nisan |
| Contact Title | Principal |
| Contact Phone Number | 209-667-9047 |
| Contact Email Address | snisan@fusioncharter.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) | $502,703 |
| Public Charter School Grant Program Funds (separately identified) | $0 |
| State Revenues[[2]](#footnote-2) | $1,757,528 |
| In-Lieu Property Taxes (separately identified) | $225,552 |
| Local Revenues | $2,991 |
| Other Financing Sources | $0 |
| **Total Revenues** | **$2,263,222** |

**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 | $911,074 |
| Classified Salaries and Benefits | $371,897 |
| Books, Supplies, and Equipment | $126,449 |
| Services and Other Operating Costs: Contracts for Instructional Services | $15,214 |
| Services and Other Operating Costs: Contracts for Instructional Support | $86,301 |
| Services and Other Operating Costs: All Other Instruction-Related Operating Costs | $66,634 |
| **Total Instruction and Related Services** | **$1,577,569** |

Operations and Facilities

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Certificated Salaries and Benefits | $0 |
| Classified Salaries and Benefits | $2,663 |
| Books, Supplies, and Equipment | $12,430 |
| Services and Other Operating Costs | $241,781 |
| Facilities Acquisition and Construction | $0 |
| **Total Operations and Facilities** | **$256,874** |

Allowable Facilities Costs

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Total facility square footage occupied by the charter school | 11513 |
| 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. | 33118 |
| Calculated Facilities Costs | $38,154 |
| **Allowable Facilities Costs** | **$38,154** |

Administration and All Other Activities

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Certificated Salaries and Benefits | $0 |
| Classified Salaries and Benefits | $5,397 |
| Books, Supplies, and Equipment | $0 |
| Contracts for Other Administrative Services | $0 |
| Supervisorial Oversight Fee | $17,307 |
| All Other Administration and Other Activities, Services, and Operating Costs | $4,861 |
| **Total Administration and Other Activities** | **$27,565** |

**Additional information regarding Supervisorial Oversight Fee:**

[No Response]

Other Outgo and Other Financing Uses

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Debt Services | $1,111 |
| Transfers to Local Educational Agencies | $0 |
| All Other Transfers and Outgo | $0 |
| **Total Other Outgoing and Other Financing Uses** | **$1,111** |

**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 | $1,863,119 |
| Revenues Over Expenditures | $400,103 |
| Beginning Fund Balance | $26,012 |
| **Ending Fund Balance – June 30** | **$426,115** |

#### D. Reserves

Reserves

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Designated for Economic Uncertainties | $93,156 |
| Facilities Acquisition or Capital Projects | $0 |
| Reserves Required by Charter Authorizer | $80,080 |
| Other Reserves | $251,395 |
| Unassigned/Unappropriated Fund Balance | $1,484 |
| **Total Reserves** | **$426,115** |

Reserves as a Percentage of Total Expenditures

| **Reserves** | **Percentage of Total Expenditures** |
| --- | --- |
| Designated for Economic Uncertainties | 5.00% |
| 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:**

Other Reserves include the balances of grants and other one time funds allocated to Fusion for use in multiple years. Those Resources with substantial amounts remaining for the next several years are listed below with the amount remaining as of 6/30/2024 and the time remaining to use the funds.

Resource 7435 Learning Recovery Emergency Block Grant (Prop 98 FY 2022) for use through 2027-28 $116,822.00

Resource 7413 A-G Learning Loss Mitigation Grant Received in 2022 for use through 2025-26 $28,679.34

Resource 3182 ESEA: ESSA School Improvement from the $43,596 Received (late) in 6/2024 through 9/2025 $26,158.20

Resource 6770 Arts and Music in Schools (Prop 28) Planned for 2024-25 $22,001.00

Resource 5633 ARP Homeless Children and Youth (ARP- HCY Statewide Activities) for use to 9/2024 $17,164.73

Resource 6266 Educator Effectiveness, FY 2021-22 for use through 2025-26 $14,791.65

Resource 7085 California Learning Communities for School Success Program (LCSSP) for use in 2024-25 $13,200

**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)***

The unassigned balance of $1,484.28 is made up of small amounts from various other funds that will be used in the 2024-25 school year.

### 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) | 104 |
| FY 2023–24 Full-Time Equivalent certificated employees responsible for independent study pursuant to 5 *CCR* Section 11963.3(b)(2) | 5.5 |
| FY 2023–24 Full-Time Equivalent certificated employees pursuant to 5 CCR Section 11963.3(b)(8) | 7.5 |

### Section 4. Funding Determination Calculations

Calculated Percentages

| **Criteria** | **Funding Determination Calculations** |
| --- | --- |
| Percentage Spent on Instructional Certificated Salaries and Benefits to Total Public Revenues | 40.31% |
| Percentage Spent on Instruction and Related Services and Allowable Facility Costs | 71.39% |
| FY 2023–24 Pupil-Teacher Ratio | 18.91 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? | No |
| If yes, can the charter school demonstrate compliance with 5 *CCR* sections 11963.5(b)(2) to (8)? | [No Response] |

#### 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 | 2 |

##### List of Reported Entities

Reported Entity 1

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| Name of Entity | Aspiranet |
| Amount | $168,000 |
| Purpose/Explanation | Building lease |
| 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 | Seity Health |
| Amount | $57,370 |
| Purpose/Explanation | Community needs assessment and wellness tracking for Community Schools grant |
| 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 | 6 |

##### List of Board Members

Board Member 1

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| First Name of Board Member | Kari |
| Last Name of Board Member | Sturgeon |
| Title of Board Member | President |
| Board Member Type | Real estate agent |
| How was this member selected? | Recommendation/Vote |
| 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) | 07/2020 to 06/2025 |

Board Member 2

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| First Name of Board Member | Frank |
| Last Name of Board Member | Radoslovich |
| Title of Board Member | Vice President |
| Board Member Type | Attorney |
| How was this member selected? | Recommendation/Vote |
| 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) | 07/2019 to 06/2026 |

Board Member 3

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| First Name of Board Member | Carol |
| Last Name of Board Member | Risley |
| Title of Board Member | Treasurer |
| Board Member Type | Indep. Management Consultant |
| How was this member selected? | Recommendation/Vote |
| 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) | 07/2019 to 12/2025 |

Board Member 4

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| First Name of Board Member | Dennis |
| Last Name of Board Member | Barry |
| Title of Board Member | Member |
| Board Member Type | Retired CFO |
| How was this member selected? | Recommendation/Vote |
| 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) | 07/2019 to 12/2025 |

Board Member 5

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| First Name of Board Member | Heli |
| Last Name of Board Member | Maldonado |
| Title of Board Member | Member |
| Board Member Type | ISV Senior District Manager |
| How was this member selected? | Recommendation/Vote |
| 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) | 04/2023 to 03/2025 |

Board Member 6

| **Prompt** | **Charter School’s Response** |
| --- | --- |
| First Name of Board Member | Vernon |
| Last Name of Board Member | Brown |
| Title of Board Member | CEO |
| Board Member Type | CEO of Aspiranet |
| How was this member selected? | Recommendation/Vote |
| Is this board member affiliated in any way with any of the reportable entities listed in the Entity and Contract Information section? | Yes |
| If so, explain the nature of the affiliation. | Vernon Brown is the CEO of Aspiranet, which owns the building leased to Fusion Charter. There are no other costs or fees paid by Fusion to Aspiranet, which founded and operates Fusion Charter. |
| Board Member Term (MM/YYYY to MM/YYYY) | 07/2021 to 06/2026 |

### 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).**

Fusion Charter did not meet the required 80% of all revenues spent on Instruction and Related Services. The percentage for FY24 was 71.39%. We request that the CDE and ACCS consider the needs of our students and our community with 100% funding.

Fusion is a small alternative school which has just come through a multi-year period of low attendance-based funds. We were impacted by deferrals and reduced LCFF funding. We sought additional grants and made staffing decisions to preserve our school while increasing services to a vulnerable population of young people at risk of school disengagement and dropout. We also received the support of our nonprofit parent agency Aspiranet, which extended scholarships and student loan forgiveness opportunities to our staff and paid for a major portion of benefits. This assistance reduced the ratio of instruction costs to revenue that resulted in a 71.39% percentage, but it helped Fusion to create an adequate reserve of 5% of overall expenditures in preparation for potential future deferrals and unexpected expenses.

Fusion is classified as a nonclassroom-based school but, in fact, our mission is to bring students on campus daily for a portion of the day for both social-emotional and academic support. Unlike traditional independent student programs, the campus is a safe place and a community hub to students to access resources such as daily support from credentialed teachers, academic tutors, meals, transportation, career development, engaging activities, counseling and restorative justice talking circles. Many of our students gain the skills and confidence to hold part time jobs while completing coursework from both school and home, using Fusion chromebooks and wireless access. Fusion bounced back from a graduation rate of 55.3% in 2023 to 77.2% in 2024.

The Nonclassroom Based Funding Determination formula is challenging for small schools like Fusion. As much as we try to contain expenses without cutting services, our facility and operations costs are about the same whether Fusion is serving 100 students or 200 students. In fact, the cumulative number of students served increased to 231 in FY24 from the previous NCB funding number, which was 201 in FY22. Over the two-year period our services to students and the community increased as we searched for strategies to support struggling students against obstacles like homelessness and increasing anxiety.

The NCB formula only considers facility use by students, but we also increased our use of our facility to serve the community, including a Fall Festival in October 2023 for local families from the low-income housing across the street, regular social worker use of the building for new staff training, and doubling the enrollment in our credit recovery Summer School in June 2024 by opening the program to students from the district. We added more parent outreach activities and parent meetings, such as the Community Schools Needs Assessment in February 2024. During this time the operations and facilities services cost increased from $190,741 in FY22 to $241,781 in FY24. Utilities increased from $17,762.52 to $23,325.92 and we experienced a one-time expense of $17,972.14 for improved facility safety. Following gang-related gunshots adjacent to Fusion and a one-hour lockdown midmorning on January 22, 2024 with many students on campus. Fortunately no one was injured and an arrest was quickly made. Fusion spent $13,475.28 on a new camera system, just a month after spending $4,496.86 on an alarm system upgrade and new window and door hardware. While these costs are not considered part of instructional support, they are absolutely critical for the safety and well-being of our students. While our annual rent increased from $142,200 in FY22 to $168,000 FY24, it was the only expense paid to Aspiranet from our revenues.

Aspiranet also paid our insurance and data network costs, offsetting administrative costs and keeping our total instructional costs above 70%. Another change from FY22 to FY24 is that our authorizer Turlock Unified billed Fusion for the 1% oversight costs of $17,307 in FY24, after a delayed billing of the FY22 costs in December 2022. These are necessary expenses for all charter schools that make it difficult to comply with the 80% level of revenues for instructional costs despite our efforts.

Fusion students learn both academics and life skills on a trauma-responsive campus where all are welcome. With full funding we will be able to spend more on instruction for vulnerable students who are referred to Fusion by their district schools as an intervention to prevent dropout. Fusion is the last option for some students. With the support of 100% funding Fusion will have a greater capacity to develop the career technical courses and preparation for postsecondary jobs and college coursework that they need for a future in which they thrive.

### 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.**

Fusion has Dashboard Alternative School Status (DASS) due to the high proportion of students (more than 70%) who enter the school from the surrounding districts with credit deficiency and other high-risk factors such as homelessness, teen pregnancy and parenting, involvement with the foster care or juvenile justice system. These students are in need of immediate and nonjudgmental individualized attention, tutoring to address gaps in learning, and a low pupil to teacher ratio to prevent dropout. The level of service these vulnerable students need requires 100% funding. To further emphasize the need for full funding from the CDE, Fusion's number of homeless students is increasing, from 17 students in FY22 to 40 in FY24. Fusion continues to pursue additional funds to serve homeless youth and their families and participated in FY23 and FY24 in a federal ARP HCY grant and a state Community Schools planning grant. Fusion is currently applying for a Community Schools implementation grant which will increase access to services in the community and on campus, with Fusion acting as a community hub for many of these resources. We anticipate that community needs will increase significantly in 2025, with the closure of the largest poultry processing plant in Turlock and the loss of 519 jobs.

Fusion's funding is already impacted by low attendance, which in FY24 averaged only 71% with a chronic absentee rate of 80.8%. Fusion serves many more students than our ADA would indicate. During FY24 Fusion served 231 students, with a P2 ADA of 104.17, up from a cumulative enrollment of 201 in FY22 with a P2 ADA of 71.93. A great effort to increase attendance required funding for additional support staff to communicate with families and students, including sending reminder texts to students and making phone calls to parents in both English and Spanish, increasing wellness checks, and operating a shuttle van to get students to campus.

Our costs for certificated staff decreased from $925,512 in FY22 to FY24 $911,074. After the very low ADA in FY22, Fusion reduced by two FTE the number of general education teachers working with students, with an unsustainable ratio of 9.59 to 1, resulting in the FY24 ratio of 18.91. For the current fiscal year, the Fall 2024 P1 ADA has increased to 116.20 and Fusion has hired an additional FTE teacher with the increased LCFF funds. Simultaneously Fusion increased use of classified staff tutors, student support advocate and van driver, increasing the classified staff costs from $215,845 in FY22 to $371,897 in FY24. We believe that the increase in ADA that has accompanied these support strategies will sustain the costs of the positions in future years.

Due to the increase in revenues from grants and one-time funds, Fusion was able to hire additional classified staff members and train them in effective strategies for working with at-risk students. At the same time we reduced LCFF-based costs for certificated staff positions. Along with increasing ADA-based LCFF revenues, Fusion was able to recover from the situation with no reserves in FY22 and an ending fund balance of -36,086. Fusion improved fiscal health to build up an ending fund balance of $426,115 in FY24 with reserves in place for potential deferrals and planned future spending of one time and grant funds. While the forecast for funding is currently uncertain in California, we are confident that with full 100% funding, the support of Aspiranet and collaboration with Stanislaus County and Turlock Unified, that we will be able to serve the needs of our students.

### 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.**

Susan Norval Nisan

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

Principal

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)