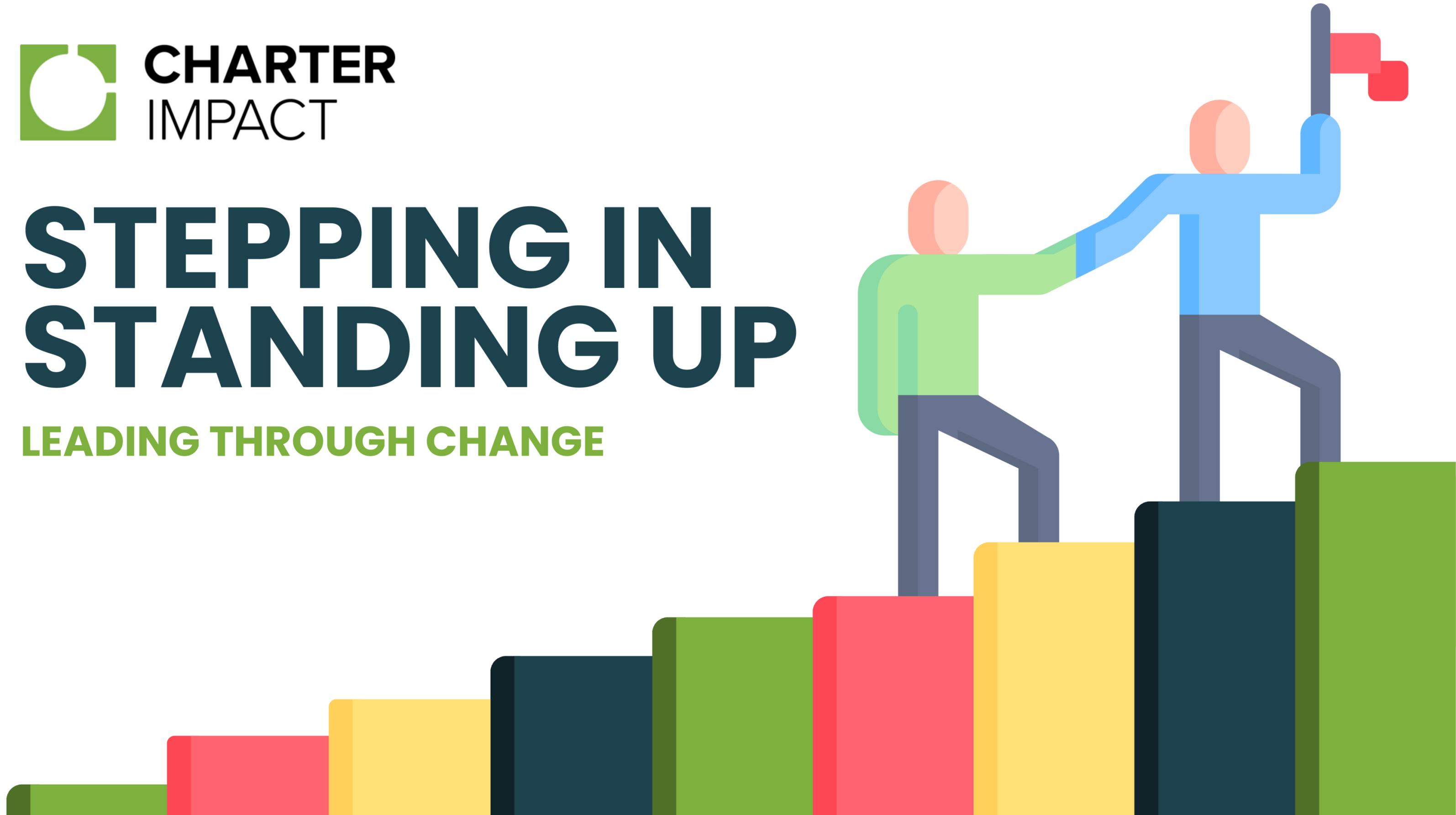




**CHARTER  
IMPACT**

# STEPPING IN STANDING UP

**LEADING THROUGH CHANGE**



# SPEAKERS



**Dr. Lisa Gonzales**  
O'Farrell Charter Schools



**Kennedy Hilario**  
ACE Charter Schools



**Bill Toomey**  
Ingenium Schools



**Jason Sitomer**  
Charter Impact



**Cindy Wagner**  
O'Farrell Charter Schools

# AGENDA

**1**

**Financial  
Deficit &  
Enrollment  
Decline**

**2**

**Staff Turnover  
& School  
Culture  
Concerns**

**3**

**Reputation  
Restoration &  
Operations  
Revamp**

# WHO'S IN THE ROOM?

- Who is from a classroom-based program? NCB/flex-based?
- Who is sitting on large reserves? Who is currently borrowing money?
- Who is from a single site school? Multi-site network? CMO?
- Who is experiencing growth/increasing enrollment? Who is experiencing declining enrollment?
- Who is experiencing staff turnover? Does anyone have a staff that is unionized?
- Who is projecting a financial deficit in the coming year(s)?
- Who is up for renewal this year? Who is low performing on the dashboard?
- Who has a high unduplicated population? Who has a low UPP?
- Does anyone have specific programmatic goals? STEM? CTE? Is that your differentiator?



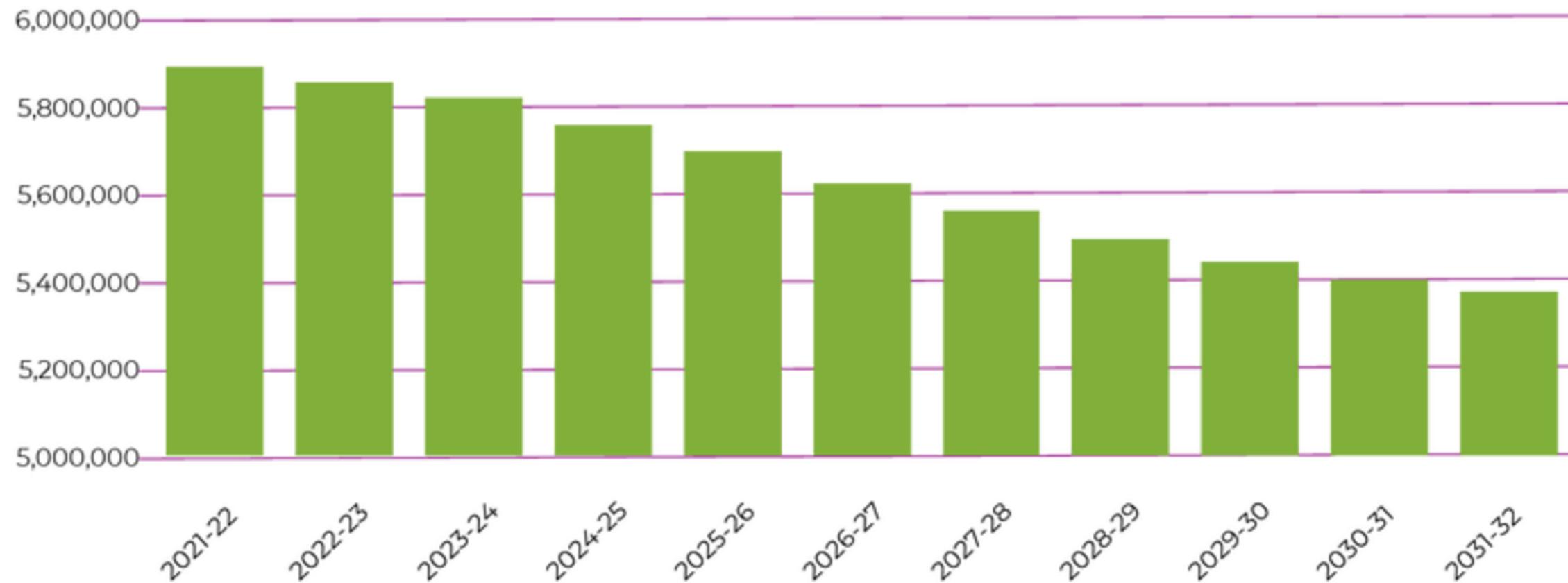
# BOATLOAD OF CHALLENGES

- Financial Deficit
- Enrollment Decline
- Academic Underperformance
- Mental Wellness Crisis
- Teacher Burnout and Staffing Turnover
- Low Trust and Collaboration



# CALIFORNIA'S DECLINING ENROLLMENT

## Projected K-12 Statewide Enrollment



# THE END OF MOST ONE-TIME MONEY

## Sample Charter School

### Multi-Year One-Time Funding Planning Tracker

Revised 10/24/2022

Other Federal: - 1,295,780 2,082,737 1,902,245 - - -  
 Other State: 1,215,530 - 334,820 251,491 1,501,372 1,409,252 1,699,440 1,699,440

Source	Resour	Expiratio	Tyg	Total	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
LRS	6537	6/30/2023	State	256,223	-	-	256,223	-	-	-	-	-
DPF	6536	6/30/2023	State	57,228	-	-	57,228	-	-	-	-	-
ESSER II	3212	9/30/2023	Fed	1,329,056	-	876,177	452,879	-	-	-	-	-
ELOG (ESSER II)	3216	9/30/2023	Fed	321,016	-	321,016	-	-	-	-	-	-
ELOG (GEER II)	3217	9/30/2023	Fed	73,676	-	73,676	-	-	-	-	-	-
ELOG (State - General)	7425	9/30/2024	State	1,001,657	1,001,657	-	-	-	-	-	-	-
ELOG (State - Para)	7426	9/30/2024	State	213,873	213,873	-	-	-	-	-	-	-
ELOG (ESSER III - Emergency)	3218	9/30/2024	Fed	209,265	-	-	209,265	-	-	-	-	-
ELOG (ESSER III - Learning Loss)	3219	9/30/2024	Fed	360,737	-	-	360,737	-	-	-	-	-
ESSER III	3213	9/30/2024	Fed	2,389,610	-	24,860	700,000	1,664,750	-	-	-	-
ESSER III	3214	9/30/2024	Fed	597,402	-	51	359,856	237,495	-	-	-	-
UPK	6053	6/30/2024	State	139,878	-	-	-	139,878	-	-	-	-
A-G Completion	7412	6/30/2026	State	81,723	-	-	11,613	11,613	20,431	38,066	-	-
AMIMD	6762	6/30/2026	State	2,427,280	-	-	-	-	1,213,640	1,213,640	-	-
EEBG	6266	6/30/2026	State	534,603	-	-	9,756	100,000	267,302	157,546	-	-
LRBG	7435	6/30/2028	State	3,398,880	-	-	-	-	-	-	1,699,440	1,699,440
<b>TOTAL</b>				<b>13,392,107</b>	<b>1,215,530</b>	<b>1,295,780</b>	<b>2,417,557</b>	<b>2,153,736</b>	<b>1,501,372</b>	<b>1,409,252</b>	<b>1,699,440</b>	<b>1,699,440</b>

Ensure that spending is on-track for what is in your budget/forecast and see how the spending cliff can be extended



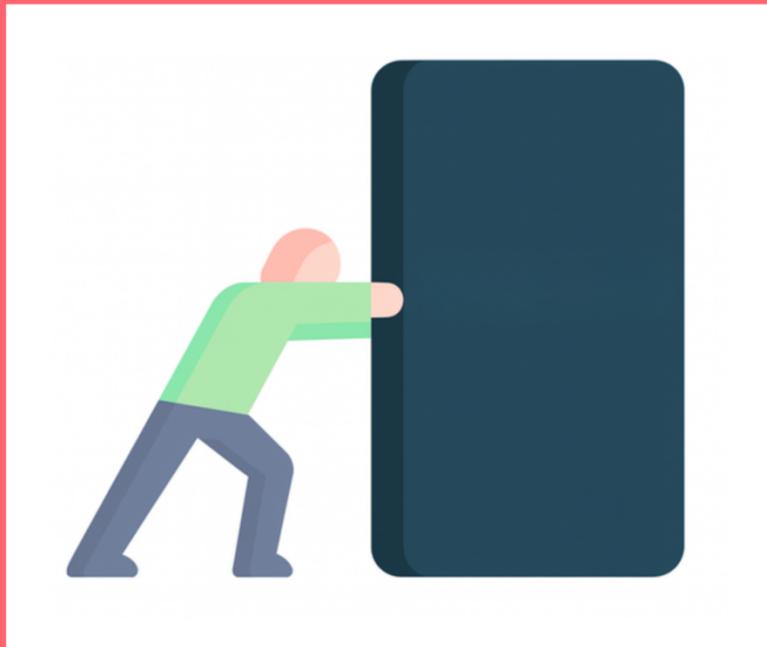
# SITUATION: FINANCIAL DEFICIT & ENROLLMENT DECLINE

ACE Charter Schools faced significant financial and enrollment challenges in the post-pandemic era, shaped by shifting political, financial, and demographic conditions.

Quick and decisive action was required to avoid the fate of nearby district and charter schools that were forced to close due to financial insolvency.

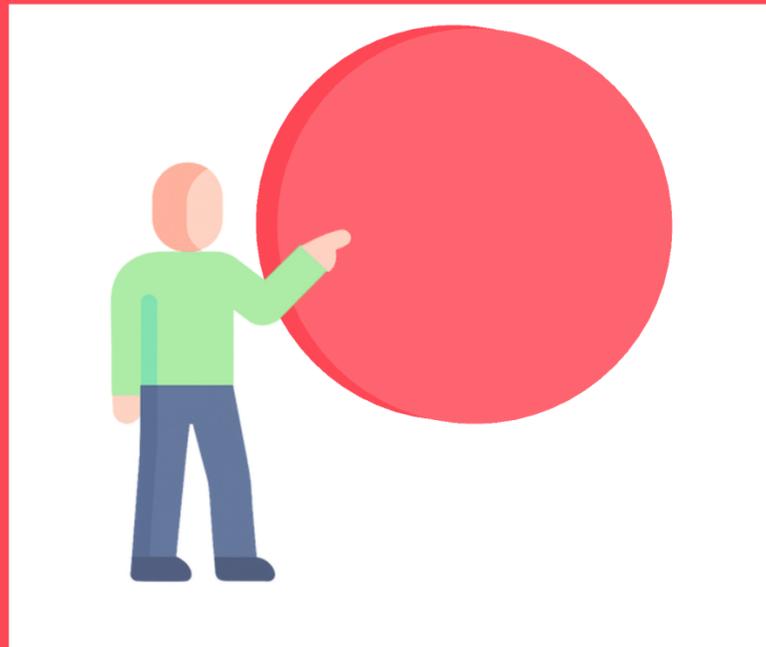


## CHALLENGES



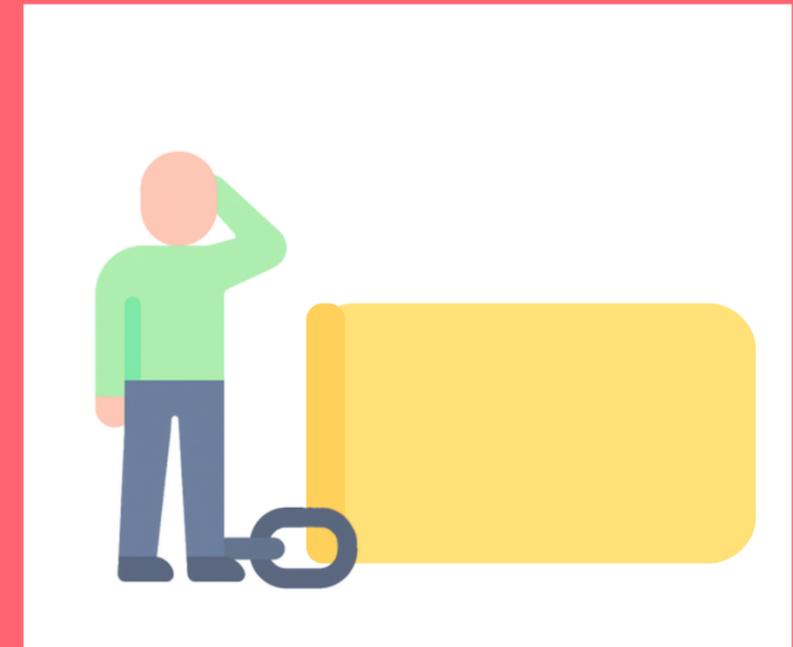
- \$9M revenue loss from declining enrollment and the expiration of COVID relief funds.
- Schools operating on minimal reserves or deficit budgets.
- 25% enrollment decline over the past seven years.

## CAUSES



- Reliance on COVID funds to hire permanent staff.
- Declining enrollment driven by high cost of living, outmigration, and low birth rates.
- Turnover in key personnel (CFO, Senior Accountant, Business Manager).

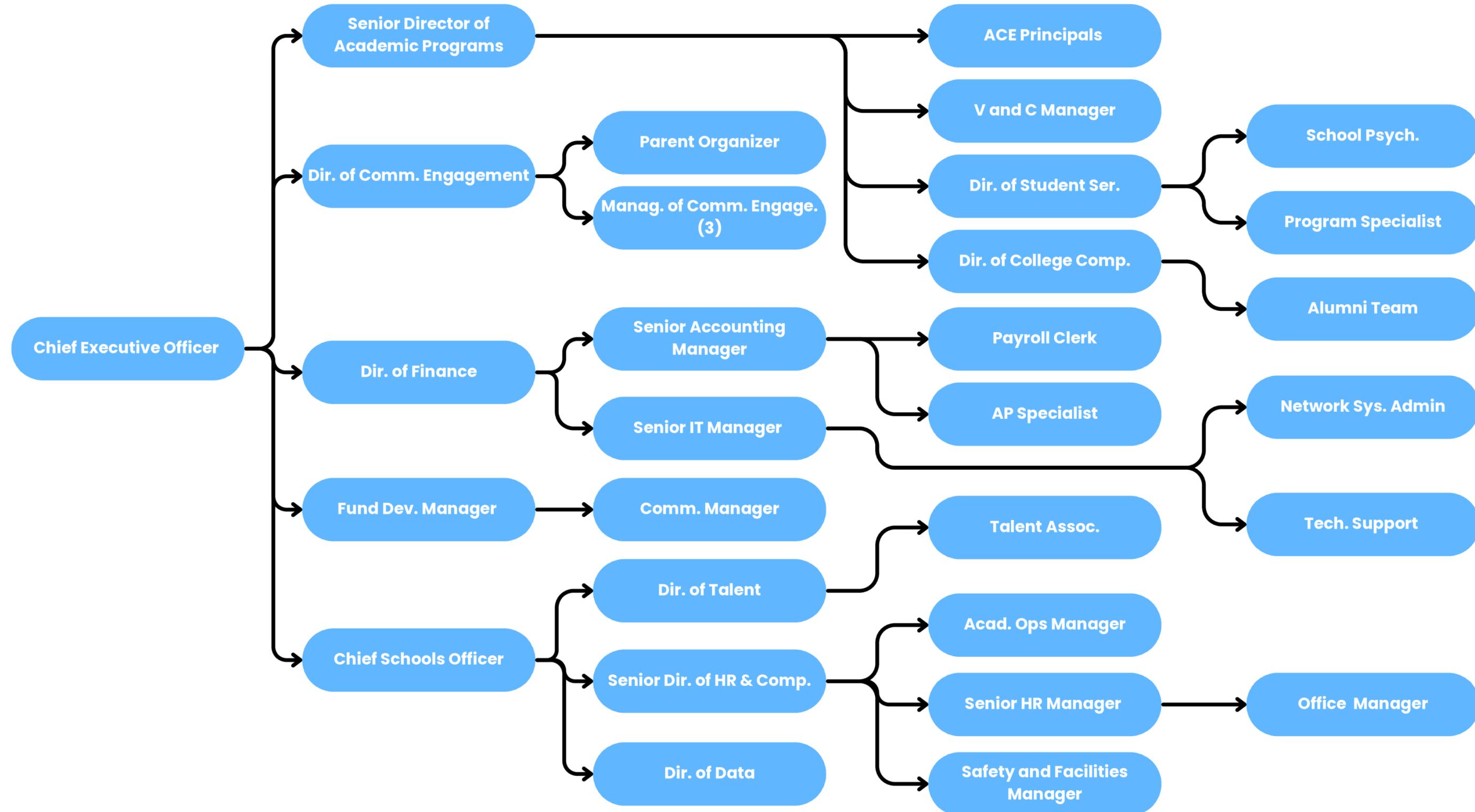
## CONSTRAINT



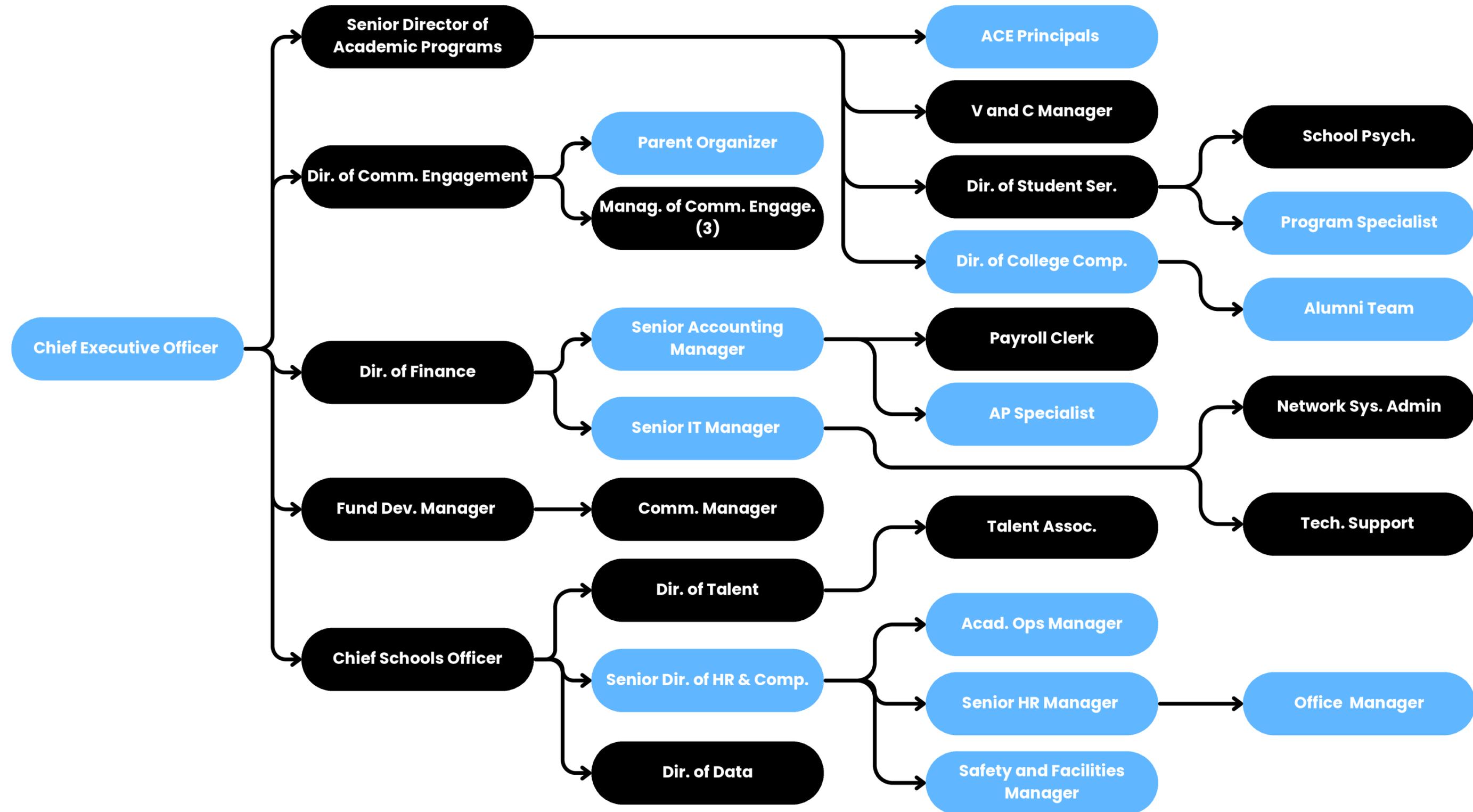
ACE needed time to determine which staff roles could be eliminated, consolidated, or outsourced. At the same time, the organization had to cut \$9M in costs within two years.



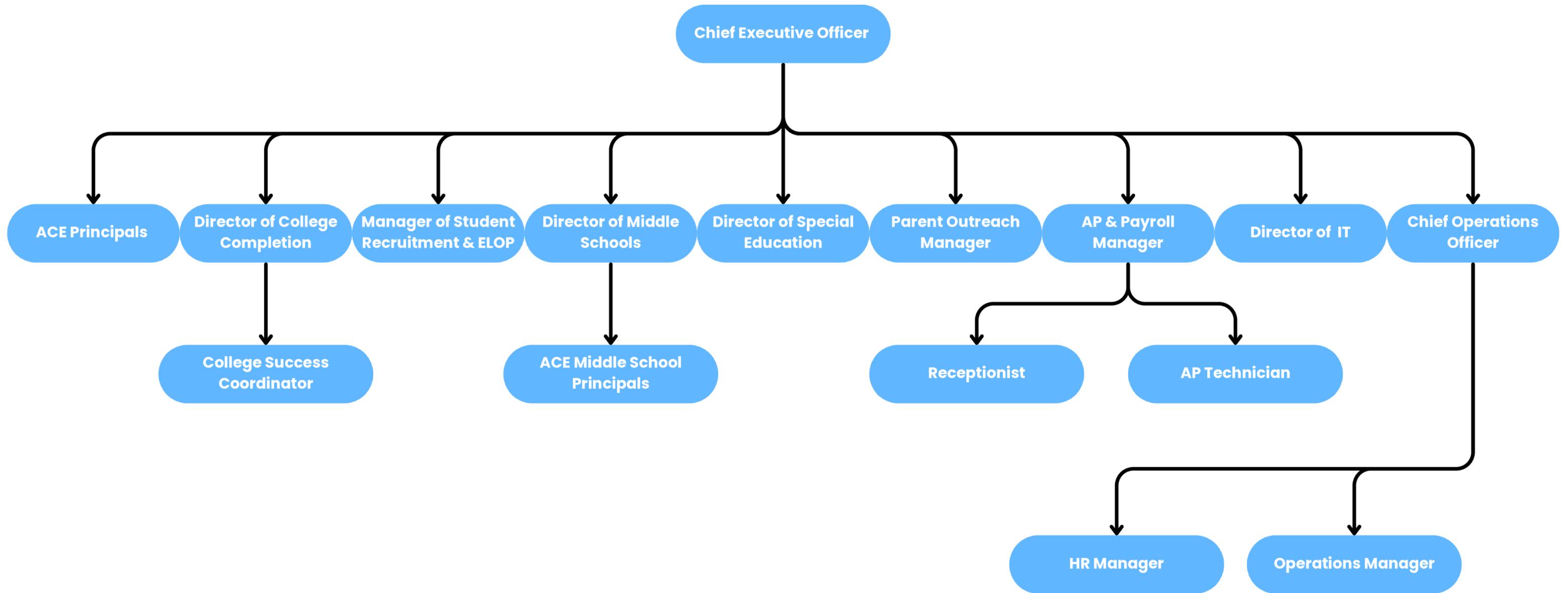
# ACE ORG CHART - 2022-2023



# ACE ORG CHART - REDUCTION



# ACE ORG CHART - 2025 UPDATE



# ACTIONS: SOLUTIONS TO ACHIEVE FINANCIAL STABILIZATION

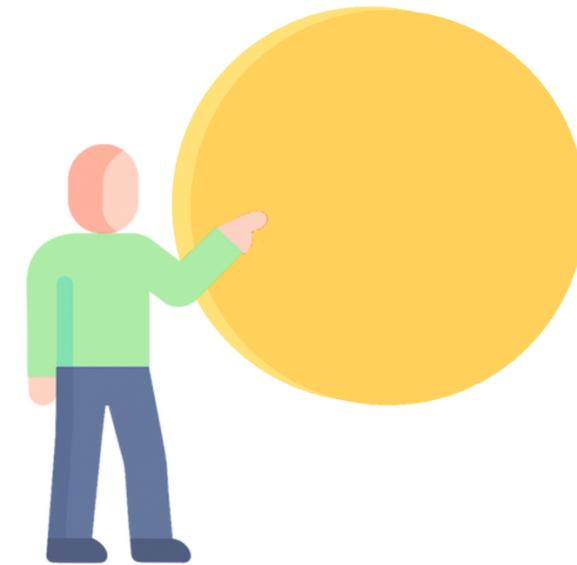
- Outsourced back-office functions to stabilize operations and used consultants instead of hiring full-time roles
- Rightsized the organization by reducing staffing by 40% (over 100 FTEs in 3 years)
- Adjusted school site staffing levels with direct input from site leadership
- **Increased fundraising efforts:**
  - Secured large grants such as CCSPP (\$6M over seven years)
  - Successfully applied for \$2.6M in ERTC reimbursement funds
- **Revamped student recruitment with a \$300K investment in marketing and outreach:**
  - Social media campaigns (Google AdSense, Meta/Facebook)
  - Parent-led recruitment through neighborhood canvassing
  - Billboard and bus advertisements
  - Mall and hospital signage
  - Radio ads
  - Partnerships with community organizations to host local events



# THE CHALLENGE

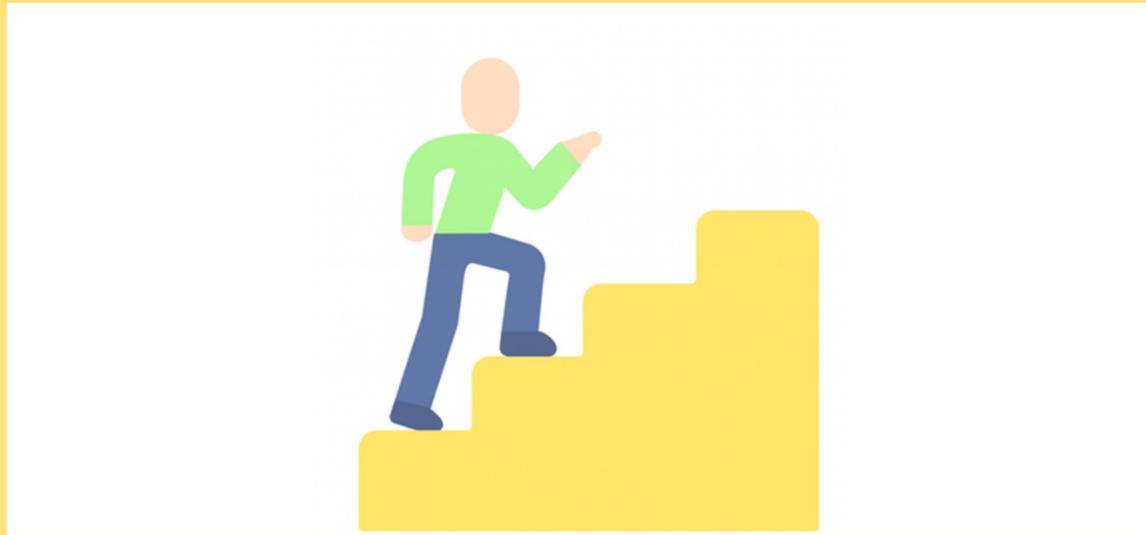
## Panorama Teacher Survey (2021–22):

- Only 18% of teachers reported fair pay
- Only 42% felt leaders were responsive
- 1 in 3 teachers felt they had input on important school decisions



# ACTIONS & RESULTS

## STEPS



- Amplified teacher voice with follow-up & action
- Celebrated successes and rewarded achievements
- Rebuilt school pride (social media, data, visible wins)
- Beautified campuses & invested in resources
- Addressed compensation → moved from bottom 50% to top 20% in two years

## RESULTS



- Trust in leadership ↑ 44%
- Confidence in leadership's decisions ↑ 31%
- Retention improved by 30%
- Teacher well-being ↑ 23% (self-reported)
- CAASPP achievement ↑ 10% (ELA & Math)
- Staff salaries ↑ 30% over 2 years



# SITUATION: REPUTATION RESTORATION & OPERATIONS REVAMP

## **Original challenge:**

The school's reputation had been damaged by leadership turnover, compliance concerns and a fractured leadership culture. Restoring public trust meant addressing immediate issues, strengthening the leadership team, and rebuilding credibility from the ground up.

## **Four years later:**

As the organization stabilized, the challenge shifted toward building durable systems in PR, HR, and business operations. Change was often painful but necessary, showing that long-term stability sometimes requires working through short-term discomfort to put better systems in place.



# REBRAND | REPUTATION | REBUILD



**O'FARRELL PAST**



**O'FARRELL PRESENT**

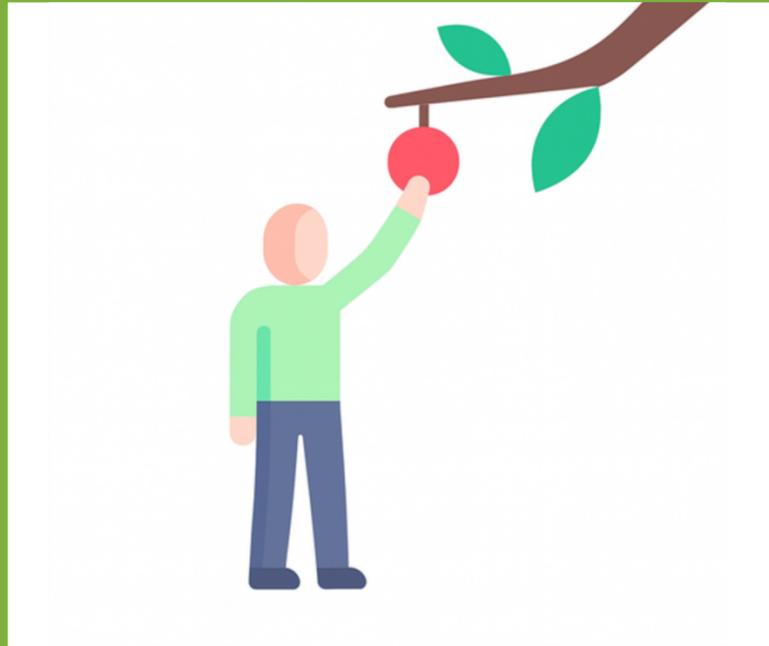


# OPERATIONAL UPGRADE



# LESSONS LEARNED

## PHASE 1



- The first year or two is full of opportunities to correct/change the “low hanging fruit”.
- Board Policies
- Compliance Requirements/Reports
- LCAP/Budget/Expenditure Alignment
- Building/Rebuilding Leadership Team
- New Logos, PR Campaigns, Social Media

## PHASE 2



- Years four and five are full of the harder, deeper change
- Correcting old habits
- Addressing past hurts on leadership team
- Reorganization for sustained change
- Accountability for excellent work
- Moving toward error-free systems and practices



# THANK YOU!

## ANY QUESTIONS?



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