



**Renewal Petition Staff Report
Imagine Schools Riverside
October 20, 2026**

Part I. Executive Summary: Staff Report for Imagine Schools Riverside

School Overview

Charter Organization:	Imagine Schools Riverside	Current Grades Served:	TK-8
District Boundary	Countywide	Current Authorized Grades:	TK-8
Year Opened:	2013	Current Enrollment:	1,454
Previous Renewal Year(s):	2021	Term Expiration:	June 30, 2027

I. Background

Imagine Schools Riverside operates a TK-8, classroom-based charter school that includes one site in Coachella and one site in Hemet.

On September 1, 2026, Imagine Schools Riverside (“Imagine”) submitted a renewal petition (“Renewal Petition”) to the Riverside County Board of Education (“Board”). On November 4, 2026, the Board will hold a public hearing at which time it will either grant or deny the Renewal Petition. Riverside County Office of Education (“RCOE”) staff and legal counsel have reviewed the Renewal Petition for compliance with the requirements of the Charter Schools Act (the “Act”), Ed. Code §§ 47600 et seq., including any new legal requirements applicable to charter schools since Imagine’s last renewal was granted in 2021. This report contains the analysis and proposed findings of fact related to the Renewal Petition for Board consideration.

II. Renewal Options for Board Action

It is recommended that the Board take action to either grant or deny the proposed Renewal Petition. The Board has the following options:

1. Grant the Renewal Petition for a 5-year term, commencing July 1, 2027, and concluding June 30, 2032, provided that the Memorandum of Understanding between the Charter School and RCOE be amended and/or the Petition revised to address findings and recommendations identified in the Staff Report prior to the date of commencement of the new term.
2. Deny the Renewal Petition, adopting the findings identified in the Staff Report as findings of fact supporting legal reasons for denial.

III. Chartering Authority Responsibility

Outline on Renewal Decision

In the course of its oversight responsibility, the Board holds the authority to assess whether the findings of fact outlined in the Renewal Staff Report by RCOE substantiate approval or denial, in accordance with the criteria set forth in Education Code Sections 47605, 47607, and 47607.2.

Legal Standards for Review

The following Executive Summary is presented to the Board to support its decision regarding the approval or denial of the charter renewal petition submitted by Imagine.

Review and Analysis

RCOE applied a standardized and evidence-based methodology to evaluate the school's eligibility for charter renewal, consistent with the requirements of EC 47607(c)(1), 47607(c)(3), and 47607.2(b)(1)–(3). State law directs authorizers to determine whether a school currently meets state performance standards and, if not, whether it has made sufficient progress toward meeting those standards over time. Academic indicators, specifically English Language Arts and mathematics, must be afforded primary weight in this analysis. RCOE, therefore, based all determinations on verified performance data from the California School Dashboard, other publicly available data files, and multi-year student group results. Context was reviewed to support interpretation, not to substitute for performance evidence.

IV. Executive Summary of Findings

A. ¹Insufficient Progress Toward Standards

The Board has the authority to deny renewal of the charter petition if it determines that all of the following are true:

¹ Only applicable to middle performance category

- The school has failed to meet or make sufficient progress toward standards; AND
- Closure is in the best interest of students; AND
- This determination requires greater weight to be provided to performance on measures of academic performance².

The performance evaluation uses two complementary but distinct measures: (1) proficiency, the share of students meeting or exceeding standards, and (2) growth, the progress the same students make over time.

Findings for Consideration

1. English Language Progress

Imagine has not demonstrated sufficient progress toward language proficiency for Multilingual Learners in most years based on publicly available information on the California Dashboard.

The English Learner Progress Indicator (ELPI) measures the proportion of English learners making annual progress toward English language proficiency. Consistent with Education Code section 47607(c)(1), the California School Dashboard ELPI results were reviewed to assess the school's performance over the term of the charter. Imagine's ELPI performance reflects persistent challenges, with outcomes that fall below state expectations across years. Although the school met the standard in 2025 due to a substantial increase in the percentage of English learners demonstrating growth, the performance standard was not met in any year prior. In addition, the school received an Orange performance level for the most recent 2026 Dashboard reporting. These results indicate that English learner progress is an area that requires comprehensive improvement, particularly given its role in evaluating equitable access to academic advancement under EC 47607(c)(3).

2. Chronic Absenteeism

Imagine has not demonstrated meeting standards for Chronic Absenteeism in most years for the All Students group and most other student groups, based on publicly available data on the California School Dashboard.

The Chronic Absenteeism indicator measures the percentage of students who are absent for 10 percent or more of instructional days. In alignment with Education Code section 47607(c)(1), multi-year absenteeism trends were reviewed to assess current performance and progress over time. The school's Chronic Absenteeism results are mixed and have not met state performance standards across multiple years. Although the school demonstrated an overall positive trend on the 2024 and 2025 Dashboards, absenteeism rates increased for the most recent 2026 reporting year. These results indicate that

² Education Code Section 47607.2(b)(6)

attendance continues to be an area in need of focused improvement, particularly given its direct relationship to student access, instructional time, and overall academic progress. The indicator therefore informs both the standards determination and the school's broader conditions for supporting student engagement.

B. Not Reasonably Comprehensive

The Board has the authority to deny renewal of the charter petition if it determines that the petition has not been updated to include new legal requirements since the petition's last adoption.³

Findings for Consideration

Element 1 - Educational Program

The Renewal Petition recognizes proficient use of technology as part of being an educated person in the 21st century. SB 1128 added Education Code section 60077, which bars requiring TK and Kindergarten students to take school-issued electronic devices home, except in specified circumstances. The prohibition takes effect in the 2027-28 school year, within the proposed renewal term. The petition does not mention SB 1128. If Imagine requires TK/K students to use devices at home, the educational program should be updated to meet the new requirement.

Element 5 - Governance Structure

Element 5 acknowledges that the Board must approve any contract with an individual contractor over \$100,000, but it does not address the new contracting policy requirements. AB 126, as amended by AB 2467, requires the governing board to adopt a contracting policy that includes all provisions in Education Code section 51827. These include ensuring that contracts reflect reasonable market value and that contracting entities hold a business license, where applicable, and appropriate insurance. Because this policy bears on sound fiscal governance, the petition should address it.

Element 7 - Health and Safety Procedures

Element 7 describes the charter school's background check procedures and acknowledges mandated reporter requirements. It does not expressly address the expanded requirements under SB 1083 and AB 2796. Effective January 1, 2027, SB 1083 requires criminal background checks for any employee or subcontractor who interacts with or directly supports students, including through virtual services. The charter school must screen employees and subcontractors for past misconduct. Its service contracts must also include the required provisions, including explicit

³ Education Code Section 47607(b)

termination for noncompliance.

C. Significant Fiscal Deficiencies

The Board has the authority to deny renewal of the charter petition if it determines that the school is demonstrably unlikely to successfully implement the program set forth in the petition due to fiscal concerns and all of the following are true:⁴

- The charter school has been provided with at least 30 days' notice of fiscal violation(s);
- The charter school has been provided with a reasonable opportunity to cure the violation(s);
- The corrective action proposed by the charter school has been unsuccessful; OR
- The violation(s) are sufficiently severe and pervasive to render a corrective action plan unviable.

Findings for Consideration

No findings were determined.

Comments

The charter school reported deficit spending in each fiscal year from 2023–24 through 2025–26. This recurring pattern has weakened its liquidity and reduced its cash reserves. Additionally, approximately 29% of its Local Control Funding Formula (LCFF) revenue is allocated to lease obligations and related-entity costs.

D. Governance Mismanagement

The Board has the authority to deny renewal of the charter petition if it determines that the school is demonstrably unlikely to successfully implement the program set forth in the petition due to governance concerns and all of the following are true:⁵

- The charter school has been provided with at least 30 days' notice of governance violation(s);
- The charter school has been provided with a reasonable opportunity to cure the violation(s);

⁴ Education Code Section 47607(e)

⁵ Education Code Section 47607(e)

- The corrective action proposed by the charter school has been unsuccessful; OR
- The violation(s) are sufficiently severe and pervasive as to render a corrective action plan unviable.

Findings for Consideration

No findings were determined.

E. Enrollment Pattern Concerns

The Board has the authority to deny renewal of the charter petition if it determines that the school is not serving all students who wish to attend⁶ the following are true:

- The charter school has been provided with at least 30 days' notice of enrollment violations; AND
- The charter school has been provided with a reasonable opportunity to cure the violation(s); AND
- The corrective action proposed by the charter school has been unsuccessful; OR
- The violation(s) are sufficiently severe and pervasive as to render a corrective action plan unviable.

Findings for Consideration

No findings were determined.

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Refer to page 1: Renewal Options for Board Action

⁶ Education Code Section 47607(d)(3)

Part II. DETAILED ANALYSIS: Staff Report for Imagine Schools Riverside County

I. Legal Review Parameters

A. Renewal Considerations

California Assembly Bill 1505 modified the framework for charter school renewals. To renew a petition, the chartering authority must assess whether the charter school meets the criteria outlined in Education Code Sections 47605, 47607, and 47607.2. In making its determination, the following factors shall be considered:

- School performance
- New petition requirements
- Ongoing fiscal issues
- Governance concerns
- Pupil enrollment patterns

Renewal petitions must include a reasonably comprehensive description of any new requirements for charter schools enacted into law after the charter was originally granted or last renewed. (Ed. Code, § 47607(b).)

B. Renewal Evaluation Categories

As an additional criterion, Education Code section 47607, subdivision (c), requires an authorizer to consider the charter school's placement under performance categories based on the charter school's performance on the California School Dashboard ("Dashboard")⁵. The California Department of Education ("CDE") designates charter schools as "low-performing," "middle-performing," or "high-performing."

School performance determinations are based on the two most recent, consecutive years of Dashboard data. Schools qualifying for Dashboard Alternative School Status (DASS) are held to a distinct renewal evaluation standard.⁶

Figure 1: Renewal Tier Performance Categories

Renewal Performance Tiers			Non-Tier
HIGH	MIDDLE	LOW	DASS
Presumptive Renewal		Presumptive Denial	
Performance Evaluation <u>Not</u> Required for Approval	Performance Evaluation Required for Approval	Performance Evaluation Required for Approval	Performance Evaluation Required for Approval

C. Performance Category Determination

Imagine qualifies for a Middle-Tier Performance Review based on its performance on the 2024 and 2025 California School Dashboard. Schools in this category are evaluated using the following standards of review:

II. School Review

A. Performance Review

1. Performance Review: Middle Tier

Review Standards ⁷	
Dashboard Performance	• Schoolwide performance on the state indicators • Student group performance on the state indicators • Dashboard reporting on local indicators • Greater weight shall be provided to measures of academic performance: ELA, Math, English Learner Progress, and Science
Verified Data*	• Measurable increases in academic achievement demonstrated by a year's progress for each year in school; or • Strong postsecondary outcomes, defined by college enrollment, persistence, and completion rates equal to similar peers

*The County Office will only accept and consider verified data that is State board approved, nationally recognized, peer-reviewed, reliable and externally produced, or data otherwise consistent with the requirements of Education Code § 47607.2(c).

Figure 2: Middle-Tier Performance Review Standards

Denial Standards

Pursuant to Education Code section 47607.2(b)(6), a chartering authority **may deny** the renewal of a middle-performing charter school only upon making written findings, setting forth specific facts to support the finding, that:

- The charter school has failed to meet or make sufficient progress toward meeting standards that provide a benefit to the pupils of the school; and
- Closure of the charter school is in the best interest of pupils; and
- The decision not to renew gives “greater weight” to the charter school’s performance on measurements of academic performance.

⁷ Education Code Sections 47607(c), 47607.2(b)

In addition, pursuant to Education Code 47607(e), irrespective of the performance criteria, a chartering authority **may deny** renewal of a charter school if:

- The charter school is demonstrably unlikely to successfully implement the program set forth in the petition due to substantial fiscal or governance factors; or
- The charter school is not serving the pupils who wish to attend, as documented by aggregate data reflecting pupil enrollment patterns at the charter school.

2. Performance Review: Scope and Scale

The review followed a phased protocol built around the statutory criteria for charter renewal, so that each finding rests on both the evidence and the governing law.

Figure 3: Comprehensive Data Protocol

Protocol Step	Subsection	Description	Ed Code Grounding
Step 1 – Data Record	1.1 Data Collection	Collect Dashboard indicators (ELA/Math DFS, ELPI, Chronic Absenteeism, Suspension, Grad Rate, CCI) over 3–5 years.	47607(c)(1) – pupil outcomes
	1.2 Participation Verification	Document participation rates, LOSS penalties, continuous enrollment factors.	47607(c)(1)
	1.3 Subgroup Data Protocol	Extract multi-year subgroup performance and identify disparities.	47607(c)(3) – subgroup outcomes
Step 2 – Standard Met	2.1 Status Determination	Determine if each indicator meets state standard (Yes/No) based on most recent Status.	47607(c)(1); 47607.2(b)(1)
	2.2 Validation	Cross-check Status with Additional Reports and Five-by-Five tables.	47607.2(b)(1)
Step 3 – Longitudinal Trajectory	3.1 Trajectory Classification	Classify multi-year pattern as Sustained High, Rising, Static, Inconsistent, Persistent Low.	47607(c)(1) – analysis of multi-year trends
	3.2 Pattern Detection	Review 3–5 years for directional patterns including cohort changes, penalties, volatility.	47607.2(b)(1)–(2)
	3.3 Subgroup Trajectory	Apply same trajectory classification to subgroups and identify persistent gaps.	47607(c)(3)
Step 4 – Local Evidence	4.1 Local Measures	Analyze multi-year patterns in NWEA, i-Ready, common assessments, course completion.	47607.2(b)(2) – use of local indicators
	4.2 Consistency Check	Verify alignment between local and state measures; document discrepancies.	47607.2(b)(2)
	4.3 Validation	Ensure reliability of local data; require explanations where necessary.	47607(c)(1)
Step 5 – Renewal Determination	5.1 Standards Compliance	Identify how many indicators met state standard; document persistent failures.	47607(c)(1)
	5.2 Trajectory Synthesis	Evaluate overall multi-year trajectory across all indicators.	47607.2(b)(1)–(2)
	5.3 Contextual Analysis	Consider contextual factors (program shifts, leadership, SPED systems, enrollment).	47607(c)(1)
	5.4 Final Determination	Synthesize all evidence into a clear renewal determination.	47607(c)(1); 47607.2(b)(1)–(2)
	5.5 Documentation & Transparency	Publish the finalized one-pager; include in board docs; archive.	47607.2(b)(2)

3. Performance Review: Imagine Schools Riverside

Does the School Meet Standards in ELA and Mathematics?

Indicator and Review Basis

(All Students; Student Groups)

Consistent with EC 47607(c)(1), current Dashboard Status results were reviewed to determine whether the school meets state performance standards. For a school to be considered meeting state performance standards, it needs to achieve either of the following: (1) the school receives a blue or green indicator, or (2) the school has a DFS ≥ 0 .

Historical Performance

Neither the School's ELA nor mathematics meets the standard for schoolwide performance or for student groups. Because the school does not meet standards in the core academic indicators, it does not satisfy the "meeting standards" condition. This determination is based on current Dashboard Status, independent of trajectory/growth.

Figure 4: ELA/Math Standards Met/Not Met

English Language Arts	Student Groups	Dashboard Color	DFS	Total	Percent	Meets Standards
	All	0/5	0/5	0/5	0%	Not Met
	English Learners	0/5	0/5	0/5	0%	Not Met
	LTEL	0/2	0/2	0/2	0%	NA
	Socioeconomically Disadvantaged	0/5	0/5	0/5	0%	Not Met
	Students with Disabilities	0/4	0/4	0/4	0%	Not Met
	Hispanic	0/5	0/5	0/5	0%	Not Met
Mathematics	Student Groups	Dashboard Color	DFS	Total	Percent	Meets Standards
	All	0/5	0/5	0/5	0%	Not Met
	English Learners	0/5	0/5	0/5	0%	Not Met
	LTEL	0/2	0/2	0/2	0%	NA
	Socioeconomically Disadvantaged	0/5	0/5	0/5	0%	Not Met
	Students with Disabilities	0/4	0/4	0/4	0%	Not Met
	Hispanic	0/5	0/5	0/5	0%	Not Met

Determination: Imagine does not meet standards in English Language Arts or Mathematics for All Students or other student groups.

Has the School Made Sufficient Progress towards Meeting Standards?

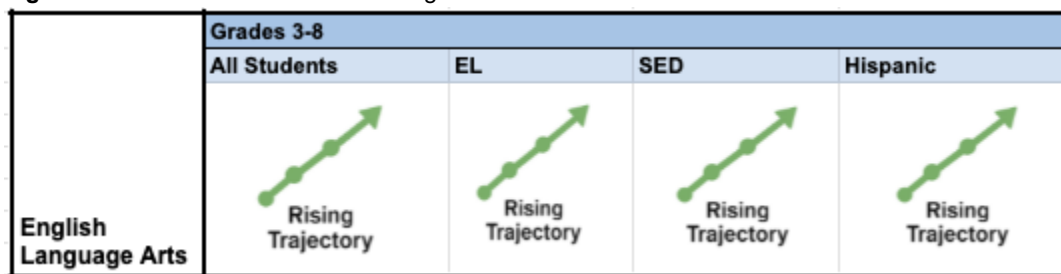
Indicators and Review Basis

Pursuant to EC 47607.2(b)(1)–(2), multi-year trajectories were examined to assess whether the school has made progress toward meeting academic standards in English Language Arts and Mathematics. The analyses considered multiple cohorts of students who have progressed through a minimum of three grade spans in grade levels 3-8, otherwise known as a quasi-longitudinal view. This is in contrast to the cross-section view of meeting standards as presented in the previous section.

English Language Arts Historical Performance

In English Language Arts, the school reflects a rising trajectory, with sustained improvement across years and student groups. Although the school has not yet met the state standard in ELA, the upward trend reflects meaningful and measurable progress toward state standards. This trajectory supports a finding of sufficient growth in this content area.

Figure 5: Three Consecutive Graduating Cohorts



Determination: Imagine has made sufficient progress towards meeting standards in English Language Arts for All Students and for other student groups.

Mathematics

The multi-year trend in mathematics reflects an overall rising trajectory, with some variation in the amount of growth across years. Most student groups improved; English learners are the exception, with inconsistent results over the period. Although the school has not yet met the state standard in mathematics, the trend reflects meaningful and measurable progress toward the standard. This trajectory supports a finding of sufficient growth in this content area.

Figure 6: Three Consecutive Graduating Cohorts



Determination: Imagine has made sufficient progress towards meeting standards in Mathematics for All Students and for most other student groups.

Does the School Meet Standards in Other State Indicators?

For state indicators other than English Language Arts and Mathematics, including both academic (ELPI) and non-academic indicators (Chronic Absenteeism and Suspension), Dashboard Status results were reviewed to determine whether the school meets state performance standards. The Dashboard provides a standardized, statewide accountability framework and represents the primary evidence used to evaluate these indicators. Under the Dashboard accountability system, a school is considered to have met standards for a given indicator when it receives a blue or green performance level. Multi-year Dashboard results over the term of the charter were reviewed to assess whether performance was generally consistent with meeting standards over time, recognizing that individual years may not fully reflect a school’s typical performance.

**English Language Progress Indicator
Indicator and Review Basis**

The English Language Progress Indicator (ELPI) measures the proportion of English learners making annual progress toward English language proficiency. Consistent with Education Code section 47607(c)(1), California School Dashboard ELPI results were reviewed to assess the school’s performance over the term of the charter.

Historical Performance

As indicated in Figure 7, Imagine's ELPI performance has been uneven over the term of the charter. Results declined from Yellow in 2019 to Red in 2023 (with 2022 reported as status only, at Low), then improved to Yellow in 2024 and Green in 2025, driven by a substantial increase in the percentage of English learners demonstrating growth. Long-Term English Learners showed a similar pattern, moving from Red in 2024 to Blue in 2025. However, these gains were not sustained in the most recent 2026 Dashboard reporting, with English learners declining to Orange and Long-Term English Learners to Yellow. These results indicate that English learner progress remains an area that requires comprehensive improvement, particularly given its role in evaluating equitable access to academic advancement under EC 47607(c)(3).

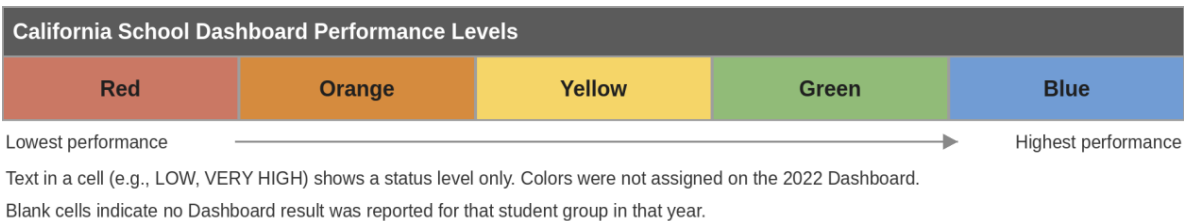


Figure 7: ELPI Performance on the CA Dashboard

English Learner Progress						
Student Group:	2019	2022	2023	2024	2025	2026
All		LOW				
English Learners						
Long-Term English Learners						

Determination: Imagine has not demonstrated sustained progress for English learners over the charter term.

Science Indicator and Review Basis

The CA Dashboard Science Indicator measures proficiency on the Science assessments. This measure is based on student performance on either the California Science Test (CAST) or the California Alternate Assessment for Science, which is taken annually by students in grades 5, 8, and once during high school. The 2026 Dashboard is the first year the chartering authority is expected to consider the Science Indicator as an indicator for Academic Performance for charter renewal.

Historical Performance

Given the inaugural implementation of this indicator, Imagine only has one year of performance to consider. Consistent with Education Code section 47607(c)(1), staff reviewed the school's Science results to assess current performance. For the 2026 Dashboard, Imagine met the standard for Science for All Students, the Socioeconomically Disadvantaged, and Hispanic Student Groups. The school did not meet the standard for English Learners.

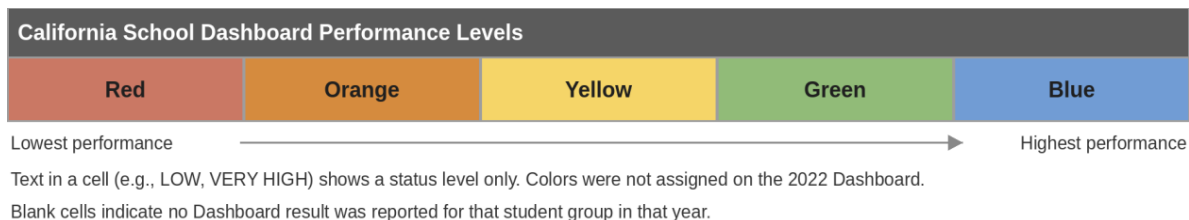


Figure 8: Science Performance on the CA Dashboard

Science						
Student Group:	2019	2022	2023	2024	2025	2026
All						Green
English Learners						Yellow
Socioeconomically Disadvantaged						Green
Hispanic						Green

Determination: Imagine meets the standard in Science for All Students and for most other student groups.

Chronic Absenteeism Indicator and Review Basis

The Chronic Absenteeism indicator measures the percentage of students who are absent for 10 percent or more of instructional days. Consistent with Education Code section 47607(c)(1), staff reviewed multi-year absenteeism trends to assess current performance and progress over time.

Historical Performance

As reflected in Figure 9, Imagine's chronic absenteeism results have been inconsistent over the term of the charter. Following Red performance in 2023 across all reported student groups, results improved to Yellow in 2024 and held at that level in 2025. However, absenteeism increased in the most recent 2026 Dashboard reporting, with all students and nearly every student group returning to Red, the lowest performance level. These results indicate that attendance continues to be an area in need of focused improvement, particularly given its direct relationship to student access, instructional time, and overall academic progress.

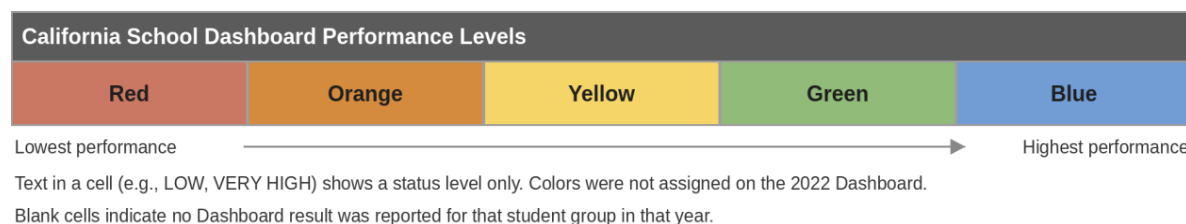


Figure 9: Chronic Absenteeism Performance on the CA Dashboard

Chronic Absenteeism						
Student Group:	2019	2022	2023	2024	2025	2026
All		VERY HIGH				
English Learners		VERY HIGH				
Hispanic		VERY HIGH				
Long-Term English Learners						
Socioeconomically Disadvantaged		VERY HIGH				
Students with Disabilities		VERY HIGH				
White						

Determination: Imagine has not sustained improvement in chronic absenteeism, with 2026 results returning to the lowest performance level schoolwide.

Suspension Rate Indicator Indicator and Review Basis

The Suspension Rate indicator reflects the percentage of students receiving one or more suspensions during the academic year. Consistent with Education Code sections 47607(c)(1) and 47607(c)(3), staff reviewed California School Dashboard Suspension Rate results to assess performance over the term of the charter.

Historical Performance

As reflected in Figure 10, Imagine's Suspension Rate results show mixed performance across years, with the school not meeting state performance standards in the majority of reporting years for the All Students group and most student groups. While some student groups met standards in select years, the overall pattern indicates inconsistent performance over time. These results suggest that disciplinary practices represent an area in need of continued attention, particularly given their relationship to school climate, student engagement, and equitable access to instructional time.

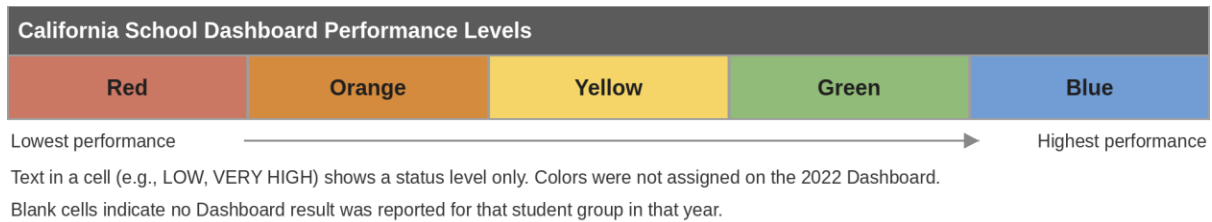


Figure 10: Suspension Rate Performance on the CA Dashboard

Suspension Rate						
Student Group:	2019	2022	2023	2024	2025	2026
All		MEDIUM				
English Learners		MEDIUM				
Hispanic		MEDIUM				
Long-Term English Learners						
Socioeconomically Disadvantaged		MEDIUM				
Students with Disabilities		HIGH				
White						

Determination: Imagine does not consistently meet standards for Suspension Rate.

Recommendations

Due to the school not meeting standards, it is recommended that the school develop and implement a Comprehensive Improvement Plan for English Language Progress that addresses the following:

- Clear, measurable goals for growth disaggregated by English Learners and Long-Term English Learner student groups

- Specific, research-aligned intervention strategies the school will use to address areas of need
- Defined timelines and progress benchmarks
- Growth metrics
- Mid-year and Annual Updates to RCOE and/or the Board

Due to the school not meeting standards across student groups, it is recommended that the school develop and implement a Comprehensive Improvement Plan for Chronic Absenteeism that addresses the following:

- Clear, measurable goals for growth disaggregated by the All Student Group and all other student groups
- Specific, research-aligned intervention strategies the school will use to address areas of need
- Defined timelines and progress benchmarks
- Growth metrics
- Mid-year and Annual Updates to RCOE and/or the Board

B. Document Review

Review Standards	
New Legal Requirements	The petition has been updated to include reasonably comprehensive descriptions for any new legal requirements imposed since its last update.
Reasonably Comprehensive	Descriptions for new legal requirements must: • Be substantive, not a list • Address all aspects of each element • Be specific to this charter

Figure 11: Petition Document Review Standards

Denial Standard

The petition does not contain a reasonably comprehensive description of the new requirement(s) imposed since its last update.

Determinations for Consideration

Element 1- Educational Program

Making proficient use of technology is part of the Charter School's definition of what it means to be an educated person in the 21st century. Senate Bill 1128 relates to Element 1; it added Education Code section § 60077, which prohibits requiring TK and Kindergarten students to take home school- issued electronic devices, except in specified circumstances. This prohibition goes into effect during the 2027-28 school year, which is during the proposed term of the renewal petition. The petition makes no reference to SB 1128, so to the extent the charter school requires TK/K students to use electronic devices at home, this portion of the educational program should be updated to address the new legal requirement.

Element 5 – Governance Structure

Element 5 recognizes the new legal requirement that the Board must approve any contract with an individual contractor over \$100,000, but the Renewal Petition does not acknowledge the new contract policy requirements. AB 126, as amended by AB 2467, requires the charter school governing board to adopt a contracting policy that includes all the provisions identified in Education Code section 51827, including that a charter school should ensure a contract reflects a reasonable market value and that an entity possesses a business license where applicable and appropriate insurance. As this policy relates to good fiscal governance, it's a pertinent change in the law that should be addressed in the petition.

Element 7 – Health and Safety Procedures

Element 7 describes the background check procedures followed by the charter school and acknowledges mandated reporter requirements. SB 1083 and AB 2796 expand these requirements and implement additional safety features. These new legal requirements were not expressly addressed in the Renewal Petition. Under SB 1083, effective January 1, 2027, any employee or subcontractor interacting with students or providing direct support to students, including virtual services, are subject to criminal background checks. A charter school must screen employees and subcontractors for past misconduct and ensure that contracts with any entity for services include required contract provisions and allow for explicit termination for noncompliance.

C. Fiscal Review

Monitoring the fiscal viability of a charter school is a fundamental component of the chartering authority's ongoing oversight responsibilities. Fiscal concerns are typically

identified and addressed throughout the charter term. While the renewal process does not impose a separate or heightened review of fiscal factors, the chartering authority may consider such concerns if they are persistent or indicate systemic financial instability.

Review Standards	
Fiscal Management	● Adheres to generally accepted accounting principles (GAAP) ● Maintains a balanced budget ● Submits all legally required reports accurately and on time ● Completes audits timely with clean findings ● Implements approved internal fiscal control policies and procedures ● Discloses related LLCs, 501(c)(3) organizations, and charter management organizations (CMOs) ● Transparently reports current debt and lease agreements
Fiscal Viability	● Maintains MOU-required reserves ● Positive multi-year financial projection ● Positive cash flow ● Appropriate days of Cash on Hand ● Sustainable enrollment ● Efficient spending ● Effective debt management
Due Process	Ensure the school has been provided with due process to include the following: ● At least 30 days' notice of the alleged violation ● Reasonable opportunity to cure the violation, including a corrective action plan proposed by the charter school

Figure 12: Fiscal Oversight Review Standards

Denial Standard

The school is unlikely to successfully implement the program set forth in the petition due to substantial fiscal factors, with either of the following findings:

- The charter school has been provided with at least 30 days' notice of fiscal violation(s);
- The charter school has been provided with a reasonable opportunity to cure the violation(s);
- The corrective action proposed by the charter school has been unsuccessful; OR
- The violation(s) are sufficiently severe and pervasive as to render a corrective action plan unviable.

Determinations for Consideration

Imagine Schools Riverside reported deficit spending in each fiscal year from 2023–24 through 2025–26, with expenses exceeding revenues by approximately \$1.4 million, \$1.8 million, and \$487,472, respectively. These operating deficits reduced the charter’s ending net position from approximately \$6.8 million to \$3 million over the three-year period.

The charter has also experienced liquidity constraints. Fiscal year-end cash balances represented approximately 27 days of cash on hand in 2023–24, 24 days in 2024–25, and 40 days in 2025–26, as reported in the unaudited actuals. The cash flow projection submitted with the renewal petition anticipates a fiscal year-end cash balance equivalent to approximately 49 days of cash on hand. However, the projection also identifies three months with limited liquidity: August 2026 at approximately 18 days of cash on hand, September at 5 days, and October at 13 days.

Despite the recent operating deficits, the charter projects annual surpluses ranging from approximately \$971,000 to \$2.8 million for fiscal years 2026–27 and 2028–29. Using the ending net position reported in the 2025–26 unaudited actuals as the starting balance, the projected ending net position is approximately \$5.8 million in 2026–27, \$6.8 million in 2027–28, and \$7.8 million in 2028–29. The following table summarizes the charter’s historical results and financial projections.

Imagine Schools Riverside	Audit Report			Form 62	Imagine Renewal Petition		
	2022-23 Audited Actuals	2023-24 Audited Actuals	2024-25 Audited Actuals	2025-26 Unaudited Actuals	2026-27 Adopted Projected Budget	2027-28 Projected Budget	2028-29 Projected Budget
LCFF Revenue	\$ 17,743,436.00	\$ 17,796,269.00	\$ 19,859,633.00	\$ 22,339,972.00	\$ 23,687,684.00	\$ 24,443,739.00	\$ 25,463,503.00
Total, Revenues	\$ 28,940,638.00	\$ 26,696,228.00	\$ 29,787,087.00	\$ 31,659,236.80	\$ 35,147,092.00	\$ 34,852,393.00	\$ 35,937,886.00
		-7.8%	11.58%	6.29%	11.02%	-0.84%	3.11%
Total, Expenses	\$ 23,098,324.00	\$ 28,161,214.00	\$ 31,643,590.00	\$ 32,146,709.12	\$ 32,351,279.00	\$ 33,881,360.00	\$ 34,904,754.00
		21.9%	12.37%	1.59%	0.64%	4.73%	3.02%
Excess(Deficiency)	\$ 5,842,314.00	\$ (1,464,986.00)	\$ (1,856,503.00)	\$ (487,472.32)	\$ 2,795,813.00	\$ 971,033.00	\$ 1,033,132.00
Net Position							
Beginning Net Position	\$ 1,001,504.00	\$ 6,843,818.00	\$ 5,378,832.00	\$ 3,522,328.63	\$ 3,034,856.31	\$ 5,830,669.31	\$ 6,801,702.31
Ending Net Position	\$ 6,843,818.00	\$ 5,378,832.00	\$ 3,522,329.00	\$ 3,034,856.31	\$ 5,830,669.31	\$ 6,801,702.31	\$ 7,834,834.31
		-21.4%	-34.5%	-13.8%	92.12%	16.65%	15.19%

A review of projected expense assumptions for fiscal years 2026–27 through 2028–29 indicates that lease obligations to Imagine Charter Holdings, LLC and Coachella Charter Holdings, LLC for the Hemet and Coachella sites represent approximately 14% of annual Local Control Funding Formula (LCFF) revenue. Costs associated with Imagine Schools Non-Profit and Imagine Schools Southwest Group represent an additional 15% of annual LCFF revenue and include a 12% indirect cost charge, a 1% mitigation fee, and shared payroll costs. Combined, these lease obligations and related-entity costs represent approximately 29% of annual LCFF revenue. The following table summarizes these projected costs.

Imagine Schools Riverside			
	2026-27	2027-28	2028-29
Assumptions Provided:			
Rent/Lease:			
Imagine Charter Holdings, LLC (Hemet Site)	\$ 3,370,299.00	\$ 3,505,111.00	\$ 3,610,264.00
Coachella Charter Holdings, LLC (Coachella Site)			
Electricity	\$ 291,184.00	\$ 302,831.00	\$ 311,916.00
Heating and Gas	\$ 63,790.00	\$ 66,342.00	\$ 68,332.00
Authorizer Oversight Fee	\$ 236,831.00	\$ 244,437.00	\$ 254,635.00
Total	\$ 3,962,104.00	\$ 4,118,721.00	\$ 4,245,147.00
Not Listed in Assumptions (estimates):			
Imagine Schools Non-Profit:			
12% Indirect Cost	\$ 2,842,522.08	\$ 2,933,248.68	\$ 3,055,620.36
Imagine Schools Non-Profit:			
1% Mitigation Fee	\$ 236,876.84	\$ 244,437.39	\$ 254,635.03
Imagine Schools Southwest Group:			
Payroll shared cost (enrollment% x payroll cost)	\$ 369,879.18	\$ 380,975.56	\$ 392,404.82
Total	\$ 3,449,278.10	\$ 3,558,661.63	\$ 3,702,660.21
Percentages			
Total % of LCFF (Imagine Charter Holdings, LLC and Coachella Charter Holdings, LLC)	14%	14%	14%
Total % of LCFF (Imagine Schools Non-Profit and Imagine Schools Southwest Group)	15%	15%	15%
Total % of LCFF	29%	29%	29%
LCFF Projected Revenue	\$ 23,687,684.00	\$ 24,443,739.00	\$ 25,463,503.00

D. Governance Review

Monitoring the viability of a charter school's governance is a fundamental component of the chartering authority's ongoing oversight responsibilities. Governance concerns are typically identified and addressed throughout the charter term. While the renewal process does not impose a separate or heightened review of fiscal factors, the chartering authority may consider such concerns if they are persistent or indicate systemic financial instability.

Figure 13: Governance Oversight Review Standards

Review Standards	
Compliance with Legal and Charter Requirements	- Consistently complies with all state and federal laws, charter petition, and bylaws - Adheres to the Brown Act, Political Reform Act, Public Records Act, LCAP, and Nonprofit Corporation Code requirements - Ensures all staff are properly vetted, qualified, and credentialed - Maintains safe, permitted, and insured facilities - Keeps all health and safety policies and procedures up to date
Board Oversight and Effectiveness	- The board has the capacity to fulfill its responsibilities effectively - Maintains independence and avoids conflicts of interest - Actively participates in meetings, coming prepared and engaged - Oversees resources and budgets responsibly - Addresses audit findings and implements corrective actions - Ensures stable and effective school leadership - Engages educational partners in decision-making processes - Meets or actively works toward the student outcomes outlined in the charter
Due Process	Ensure the school has been provided with due process to include the following: - At least 30 days' notice of the alleged violation - Reasonable opportunity to cure the violation, including a corrective action plan proposed by the charter school

Denial Standards

The school is unlikely to successfully implement the program set forth in the petition due to substantial governance factors, with either of the following findings:

- The charter school has been provided with at least 30 days' notice of fiscal violation(s);
- The charter school has been provided with a reasonable opportunity to cure the violation(s);
- The corrective action proposed by the charter school has been unsuccessful; OR
- The violation(s) are sufficiently severe and pervasive as to render a corrective action plan unviable.

Determinations for Consideration

Recommendations

E. Enrollment Review

As part of its ongoing oversight responsibilities, the chartering authority regularly monitors student enrollment trends and reviews complaints. When evaluating a charter renewal petition, the authorizer is required to consider whether the charter school is serving all students who wish to attend.

Review Standards

Substantiated Complaints	Consider any substantiated complaints of noncompliance pertaining to any of the following: • Suspension • Expulsion • Involuntary Removal
Enrollment Pattern Data	Consider any enrollment data provided by the CDE in response to an authorizer request for information (Optional, authorizer discretion)
Due Process	Ensure the school has been provided due process to include the following: • At least 30 days' notice of the alleged violation • Reasonable opportunity to cure the violation, including a corrective action plan proposed by the charter school

Figure 14: Student Enrollment Oversight Review Standards

Denial Standards

- Finding(s) of fact for denial if the charter school is not serving all pupils who wish to attend
- Evidence to support any finding of fact under this part will be included in the report

Determinations for Consideration

None

Recommendations
None

END OF DOCUMENT

Refer to page 1: Renewal Options for Board Action