



Dear School Leader:

Looking back on the past two+ decades – starting from when ExED was founded in 1999 – we’ve remained focused on our mission: helping our charter school clients operate at the highest level so that every student has access to an excellent public school. We are proud to have built a team whose expertise, integrity, and high standards of professional excellence have enabled us to stay true to our mission and ensure our client’s ongoing success.

However, the environment in which our clients and ExED operates continues to change. While providing our services at a high level has never been easy, it has become even more challenging due to new demands. We are adapting to an increasing number of funding sources which have added tracking and reporting requirements, more time-consuming audits, new reporting elements required in a CALPADS system with multiple defects, and a steady flow of changing or new requirements to navigate. These changes have increased the workload demands on our staff and required us to expand.

As a mission-driven nonprofit, we have historically tried to underprice our services to help reduce the burden on our charter school clients. We have also continued implementing changes to increase efficiency and reduce operating costs (e.g., since the pandemic, we have downsized our offices). However, given the additional workload demands and higher salary costs, we need to raise our rates next year more rapidly than we have in the past to sustain our operations and quality of service.

We are also restructuring our fees to charge separately for the Paychex charges we incur to process our client’s payroll. Historically, we have incorporated our share of the Paychex charges into our annual service fees. Next year, we will charge two separate fees. We will charge one fee for our services, and a separate fee to pass through the Paychex charges we incur. We are making this change for a few reasons. First, it has become increasingly complicated to project ExED’s Paychex costs at the start of the year. As Paychex’s HR capabilities have expanded, our clients are using additional Paychex modules to support their operations. Second, separating the Paychex charges make our service costs more transparent. In the attached Notice of Terms supplement, we have included an estimate of the annual Paychex charges.

We recognize these fee increases come when our clients face numerous challenges and financial pressures. We wish we could avoid increasing our fees, and we hope an upfront and transparent fee increase today will help you plan for the upcoming year more effectively.

In conjunction with this letter, we are sending the Notice of Terms Supplement, which outlines our fees for the upcoming fiscal year. Please don’t hesitate to contact me (alandecker@exed.org) or Tait Anderson (tanderson@exed.org) if you have any questions or want to discuss this fee increase.

We truly value our long-term partnership with your organization and take pride in what our teams have achieved, collectively and individually, on behalf of California students.

With gratitude,

Anita Landecker
President & CEO