



Board Agenda Item #	III C – Action Item
Date:	May 27, 2020
To:	Board of Directors
From:	Alfredo Rubalcava, CEO
Staff Lead:	Suat Acar, COO
RE:	Modifications to Pay for Nonexempt/Classified Employees Due to COVID-19

**Proposed Board Motion**

Approval Board Resolution #20200527-02 to temporarily suspend pay increases for nonexempt employees under the Classified Employees’ Pay Raise Schedule as a cost saving measure in response to COVID-19.

**Background**

As the Classified Employees’ Pay Raise Schedule reflects an increase in cost for Magnolia Public Schools (“MPS”) for the 2020-2021 school year, and as MPS has experienced increased costs/decreased revenue related to COVID-19, including: costs associated with transitioning students and staff to providing/receiving high quality distance learning, anticipated declines in state and local funding and a corresponding decline in revenue, MPS will experience a significant and untenable budgetary impact if cost savings are not realized elsewhere.

As employee compensations represents a significant portion of the MPS budget and MPS has always sought to provide competitive compensation for the retention of qualified staff, the portion of the budget earmarked for employee compensation presents an option for cost savings by way of a wage freeze.

The following modification to hourly wages for classified staff is recommended:

1. Increases in hourly wages are suspended for the 2020-2021 work year, pinning hourly wages to the amounts provided in the 2019-2020 work year; and
2. Increases in pay based on an employee performance rating of “effective,” “highly effective,” or based on any other rating or performance metric, are suspended for the 2020-2021 work year; and
3. Suspension of cost of living adjustments (COLA) to pay; and
4. The modifications in the Resolution are intended to pin compensation at the levels in 2019-2020, except that no nonexempt employee shall receive less than the

applicable state and local minimum wage.

Budget Implications:

All Magnolia Public Schools and home office budgets will be impacted by these corresponding actions

Exhibits (attachments):

Resolution #20200527-02



Magnolia Public Schools Board of Directors  
Resolution No. 20200527-02  
CONCERNING MODIFICATIONS TO NONEXEMPT EMPLOYEE  
PAY FOR THE 2020-2021 WORK YEAR  
IN RESPONSE TO COVID-19

WHEREAS, Magnolia Public Schools Board of Directors operates the following schools (collectively “Magnolia Public Schools”):

- Magnolia Science Academy 1 – Reseda
- Magnolia Science Academy 2 – Valley
- Magnolia Science Academy 3 – Carson
- Magnolia Science Academy 4 – Venice
- Magnolia Science Academy 5 – Los Lobos
- Magnolia Science Academy 6 – Palms
- Magnolia Science Academy 7 – Northridge
- Magnolia Science Academy 8 – Bell
- Magnolia Science Academy – Santa Ana
- Magnolia Science Academy – San Diego

WHEREAS, on March 4, 2020 the Governor of the State of California declared an emergency statewide relating to the coronavirus pandemic (“COVID-19”) and has directed state agencies to provide updated and specific guidance to schools; and

WHEREAS, on March 13, 2020, the Governor of the State of California issued Executive Order N-26-20 directing the closure of physical school sites and campuses; and

WHEREAS, Magnolia Public Schools closed its on-site campus locations to reduce the risk of illness to students, staff, and other stakeholders on March 13, 2020; and

WHEREAS, Magnolia Public Schools has expended substantial funds to provide students with high quality distance education and to transition the school sites to operate programs and manage staff remotely in response to COVID-19; and

WHEREAS, the Los Angeles County Office of Education has estimated that Magnolia Public Schools and other schools within the jurisdiction of the county will experience a loss of funding/revenue for the 2020-2021 school year.

NOW THEREFORE BE IT RESOLVED THAT THE Board of Directors of Magnolia Public Schools adopts the following revisions to nonexempt employee pay:

1. Increases to nonexempt employee hourly rates of compensation are suspended for the 2020-2021 work year. Nonexempt employees continuing in the same position will be paid according to the applicable hourly wage rates for the position as of the date of execution of this Resolution. Nonexempt employees in different positions and new employees will be paid according to the rate of pay the employee would have been entitled to in the 2019-2020 work year for the same work.
2. Nonexempt employees shall not be eligible for pay increases for the 2020-2021 work year based on their performance rating as “effective” or “highly effective,” or any other performance rating in the work year or prior work year.
3. A cost of living adjustment shall not be made for the 2020-2021 work year.
4. No employee shall be paid less than the applicable state and local minimum wage. Magnolia Public Schools shall adjust nonexempt employee compensation as appropriate to ensure it is lawfully compliant with applicable minimum wage standards.

PASSED AND ADOPTED by the Board of Directors of the Magnolia Public Schools on this 27 day of May 2020.

AYES:

NOES:

ABSTAIN:

ABSENT:

---

Secretary

Magnolia Public Schools