



October 25, 2021

TO: YPI Charter Schools (YPICS)
Board of Directors

FROM: Ruben Duenas
Chief Operations Officer

SUBJECT: Pandemic Stipends for All Staff

BACKGROUND

The Executive Team has shared past and continuing concerns about providing competitive compensation as a means for recruitment and retention for all staff positions. Although YPICS is currently fully staffed, there is a national and local shortage of teachers and other school personnel. Additionally, UTLA negotiated a combination of an increase in salaries and one time stipends which will ultimately increase compensation for all LAUSD staff. Finally, our staff has worked through an unprecedented pandemic which required significant change to the normal working conditions of our staff.

When campuses reopened in April 2021, YPICS offered additional duty stipends to teachers who physically returned to teach in classrooms for professional development and planning. For the 2021-22 school year, the YPICS Board of Directors increased the Credentialed Teacher Salary Table, and made across the board increases for staff not aligned to a salary table based on the budget information available in June of 2021.

Additional items to consider when making any future decisions.

Increase in Revenue is from One-time Funds

Revenues from state and federal funds are earmarked to ensure schools safely reopen for in-person instruction. Depending on the source, these funds must be spent within the 2022, 2023, and/or 2024 fiscal year. Long term revenue increases have not been established.

Decline in Enrollment

The YPI Charter schools, along with the greater Los Angeles area and state of California, are experiencing a declining enrollment over the past few years.

Unknown Future

The future of California's economy, declining enrollment, possibility of a recession, and the reality of inflation are unknown variables as we make plans for adjustments to the salary schedule.

ANALYSIS

Based on the unknown challenges of the future, Staff is recommending the board approve providing the following one time payments:

- **Pandemic stipend of 3% for the 2020-2021 school year 20-21 based on employment date,**
- **Pandemic stipend of 2% for the 2021-2022 school year.**

Here is the formula recommended for approval for the 2021-2022 school year:

- **All certificated and classified Staff will be eligible for the stipend.**
- **Stipends will be based on the level/rate of the employee during the 2021-2022.**
- **Employees who take a leave of absence or take extended time off will not be eligible within the semester in which they are on an extended time off.**
- **Half of the stipend will be paid in December 2021 and the second half will be paid in June 2022.**

These stipends are considered one-time payments and will not be deducted and applied towards retirement contributions.

Adjustments to the YPICS Salary Schedules

Recommending the 3% and 2% stipends planned is a thoughtful approach to investing in our staff rather than a quick reactive change to the salary tables. The Executive Team will continue to explore a comprehensive analysis and actions that are required to provide a long-term increase in salary.

The Executive Team will begin the conversation around the 2022-23 salary schedule. Ideally, we would like to make long term changes to the salary schedule. However, we need to explore the long-term impact of declining enrollment and monitor the governor's plans for the 2022-23 budget. This year, the increase in revenue was largely in one-time funds making long term planning very difficult. Hopefully, the 2022-23 will provide us with additional long-term revenue that we can project in our budget for next year.

Anticipated Expense of the Stipends

All schools have funds available to afford the stipends for the 2021-2022 school year. All schools have additional state and federal funds that have not been applied to the current budget. In addition, all schools will receive additional funds for the Educator Effectiveness Grant that have yet to be awarded.

Comprehensive Analysis for Long Term Salary Increase

The Executive Team will engage in a comprehensive analysis by site to determine the feasibility of a long-term increase in salary. Each school is positively or negatively impacted by enrollment, state revenue, debt obligations, maintaining 2-3 months of cash reserve, staffing norms, and supplies & materials.

RECOMMENDATION

This is an information item only and no action is required.