



## ***EXECUTIVE DIRECTOR’S REPORT***

**April 25, 2022**

*The mission of the YPI Charter Schools (YPICS) is to prepare students for academic success in high school, as well as post--secondary education; prepare students to be responsible and active participants in their community; and enable students to become life-long learners. Students at YPI Charter Schools will become active citizens who characterize the ideals of a diverse and democratic society. Students will provide service to their community, take responsibility for their own learning, and develop the habits of mind and body that will empower them to be successful in high school and beyond.*

### **State:**

#### ***From School Services of California***

“A Robust Economy Isn’t Always a Good Thing”

posted March 21, 2022

The Department of Finance’s (DOF) March Finance Bulletin once again shows state revenues soaring well beyond Governor Gavin Newsom’s January estimates. In fact, the DOF reports that year-to-date revenues are outpacing projections by \$17.5 billion, exceeding expectations by almost 15%. Each of the “big three” tax revenue sources are performing above forecast, the most robust being corporation taxes, which are 78.4% or \$8.1 billion higher than Governor Newsom expected in January.

As the DOF noted in its previous bulletin, year-to-date revenues may be overstated due to a change in state tax laws that allow corporations to make elective tax payments that can accrue an equal dollar amount in personal income tax credits. Currently, the DOF estimates that \$6.3 billion of current revenues are attributable to these corporate elective tax payments and suggest that, once 2021 taxes filings are complete, the current performance of state revenues may be significantly moderated as individuals claim the tax credits associated with these payments.

<b>“Big Three” Taxes Year-to-Date (in millions)</b>				
	<b>Projection</b>	<b>Actual</b>	<b>Change</b>	<b>% Change</b>
<b>Personal Income Tax</b>	\$81,162	\$91,181	\$10,019	12.3%

Sales and Use Tax	\$20,637	\$21,936	\$1,299	6.3%
Corporation Tax	\$10,346	\$18,462	\$8,115	78.4%

Leveling expectations about final state revenues if and once personal income tax credits are realized is only one caution against the exuberance that comes with tens of billions of dollars in unanticipated revenue. The other is what strong revenues signify for the larger economy and the budgetary obligations that they create for the state.

While strong revenues indicate that the California economy is robust, they also signal a protracted imbalance in supply and demand that is creating significant inflationary pressures. The DOF reports that national inflation jumped to 7.9% in February, up from 7.5% in January—its highest level since 1982. Historic inflation has caused the Federal Reserve to increase its benchmark rate (the federal funds rate) for the first time since 2018 by a quarter of a percent and when doing so signaled that the hike would be followed by six more this year. This action, coupled with the Federal Reserve’s quantitative tightening policies, is designed to reduce economic demand in order to bring it closer to supply levels.

Unanticipated revenues are also creating unique and significant budgetary pressures for state lawmakers. This is because, like local districts, the state of California is subject to an annual spending limit and, while the limit is adjusted every year for growth in per capita personal income and changes in population, its rate of growth is not keeping up with the rate of growth in state revenues. This dynamic creates “excess revenues” that the state cannot use for normal spending that would exceed its spending limit, reducing the Legislature’s discretion on how to spend the state’s surplus.

According to the Legislative Analyst’s Office (LAO), because of the unique conditions this year every \$1 in unanticipated revenue creates a \$1.60 in state constitutional obligations: \$1 in state spending limit requirements, \$0.40 in K-14 spending under Proposition 98, and \$0.20 in state reserve deposits required by Proposition 2. Thus, while K-14 education spending is likely to increase by nearly \$7 billion based on year-to-date revenues, the Legislature and the Governor are faced with difficult State Budget choices for noneducation programs. The LAO reminds lawmakers that the state can address its obligation by spending excess revenues on “excludable expenses,” such as facilities and emergencies, by reducing state revenues through tax credit policies, and/or by issuing equal amounts in taxpayer rebates and a one-time payment to K-14 education (above the Proposition 98 minimum guarantee). In any event, state discretionary spending will be significantly constricted this State Budget year, which for noneducation programs (like childcare, health care, and other social programs) poses serious concerns.

“Educator Misconduct Reports on the Rise”

posted March 21, 2022

The Commission on Teacher Credentialing (CTC), Division of Professional Practices (DPP), investigates allegations of misconduct by credential holders and applicants. Educator misconduct can be reported by local educational agencies (LEAs), members of the public, or by the credential applicant. Each year, the DPP issues a Dashboard Report, which reflects that the total cases reported in January 2022 exceeded cases reported in January 2021 by approximately 0.9%. The uptick in teacher misconduct concerns could be attributed to numerous factors, including, among other things, the COVID-related employment challenges. The increase of misconduct cases also illustrates that human resources (HR) departments did not experience much-needed relief during the pandemic in their obligation to investigate complaints and resolve serious discipline concerns.

<b>DPP Monthly Dashboard Reports through January 2022</b>			
<b>Year</b>	<b>November</b>	<b>December</b>	<b>January</b>
2020-21	2289	2287	2210
2021-22	2220	2438	2403

Source: CTC

In addition to educator misconduct, complaint processes may also apply should the complainant allege that a statutory requirement, or state or federal law has been violated. Complaints of this nature are commonly handled through the Uniform Complaint Procedures, with oversight and appeal authority provided by the California Department of Education.

But not all complaints rise to the level of formal action; as in some cases, intervention from LEA administrators, or site supervisors can resolve personnel issues at the lowest level, informally, and mitigate the necessity of high-level interventions from the HR department. One of the most difficult aspects of managing complaints is knowing how to categorize the problem (uniform complaint, discrimination, hostile work environment, or misconduct), and determining the appropriate level of response. This requires working knowledge of state and federal laws, board policy, and the Education Code. In addition, it is critically important that an LEA knows when to utilize an attorney for assistance in order to protect the students, employees, and the LEA from adverse action or liability.

An LEA HR department receives complaints and concerns frequently, which require swift and appropriate action. To effectively respond, HR leaders must receive the appropriate training, have access to tools and resources, and implement systems which help navigate the tough issues to provide a resolution for the parties.

The upcoming Employee Complaints and Investigations webinar, a two-part learning series, provides effective practices, tools, and resources to help the HR practitioner and LEA respond to complaints and manage employee investigations appropriately.

“Top Legislative Issues for 2022”

posted April 1, 2022

#### Employees

[Assembly Bill \(AB\) 2708](#) (Wicks, D-Oakland)—Confidentiality Agreements. This bill would prohibit local educational agencies (LEAs) from entering into confidentiality agreements with an employee under investigation for complaints of misconduct related to harassment or assault of a pupil, or who has had complaints of misconduct related to harassment or assault of a pupil substantiated against them by an investigation. The bill would also prohibit those LEAs from favorably recommending, or otherwise facilitating or promoting, the employment of those persons with another LEA.

[SB 1343](#) (Leyva)—Public Employees’ Retirement: Charter Schools. This bill would require charter schools authorized on and after January 1, 2023, to participate in California State Teachers’ Retirement System (CalSTRS) or California Public Employees’ Retirement System (CalPERS), or both. For the purpose of paying contributions on behalf of a charter school, the bill would require a county superintendent, district superintendent, or other employing agency that reports directly to CalSTRS, upon state apportionment to a charter school, to draw requisitions against the funds of the charter school in amounts equal to the estimated contributions required to be paid by the charter school to CalSTRS and pay them to the system.

#### Governance and District Operations

[SB 1100](#) (Cortese, D-San Jose)—Open Meetings: Orderly Conduct. This bill would amend the Brown Act to authorize the presiding member of a public meeting to remove an individual for willfully interrupting the meeting. The bill defines "willfully interrupting" as engaging in behavior during a meeting of a legislative body that substantially impairs or renders infeasible the orderly conduct of the meeting in accordance with the law. The bill would require removal to be preceded by a warning by the presiding member that the individual is disrupting the proceedings; a request that the individual curtail their disruptive behavior or be subject to removal; and a reasonable opportunity to cease the disruptive behavior.

#### Instruction

[AB 2617](#) (Holden, D-Pasadena)—Dual Enrollment Programs: Competitive Grants: College and Career Access Pathways Partnerships: Best Practices: Communication and Marketing Strategy. This bill would require the California Department of Education (CDE) and the California Community Colleges Chancellor’s Office (CCCCO) to identify best practices for dual enrollment partnerships, appropriate financial incentives for school districts and community college districts to participate in dual enrollment and develop a statewide and communication marketing strategy around dual by September 1, 2024.

The bill was also recently amended to include the language of Governor Gavin Newsom’s proposal to provide \$500 million in one-time Proposition 98 funds to establish a competitive grant program

administered by the CDE in consultation with the CCCCCO (see “[Governor Newsom Proposes Changes to Expand Dual Enrollment](#)” in the February 2022 Fiscal Report).

This bill is scheduled to be heard by the Assembly Higher Education Committee next Tuesday, April 5, 2022.

#### Local Control Funding Formula

[SB 1431](#) (Rubio, D-Baldwin Park)—Base Grants: Adjustment: Class Size Reduction. This bill would require, commencing with the 2022-23 school year, for a school district that maintains an average class enrollment of not more than 20 students for each school site for K-3, an adjustment of 32.5%, instead of 10.4%, to the K-3 base grant. TK classes would be excluded from this calculation, and these additional funds would not be included for purposes of calculating Local Control Funding Formula (LCFF) supplemental or concentration grants.

This bill was originally scheduled to be heard by the Senate Education Committee next Wednesday, April 6, but was pulled from the agenda at the request of the author. The bill has until April 29 to get out of the policy committee.

#### Special Education

[AB 2541](#) (Quirk-Silva, D-Fullerton)—Funding: Deaf and Hard of Hearing Children. This bill would require the SSPI to add to the existing special education early intervention preschool grant calculation an unspecified dollar amount, based on the total number of children from birth to five years of age who are deaf and hard of hearing to the amount to be apportioned to each school district in order to contract with the California School for the Deaf or nonprofit organizations for purposes of providing specified services to those children.

The bill would require the funding to be used to provide specified services to these children, including for strategies to improve outcomes that involve early intensive language services and related specialized services, which may include:

- Deaf and hard of hearing mentor and coaching services;
- Language and speech services with a professional equipped with the skills and knowledge to maximize the child’s language and speech development;
- Specialized deaf and hard of hearing services with a teacher who uses both or one of the languages of American Sign Language or English;
- Interpreting services;
- Audiological services;
- Transportation services, including reimbursement to parents or legal guardian for miles traveled.

#### Public Health Updates

COVID-19 cases continue to decrease dramatically across the state, LA County and among our schools. Gavin Newsom and state officials ended the state mask mandate for schools effective March 11, 2022. See the links below for updated information related to public health guidance.

- [Reopening Protocols for K-12 Schools: Appendix T1](#) (3/11/22)
- [COVID-19 Exposure Management Plan Guidance in TK-12 Schools: Appendix T2](#) (3/25/22)
- [COVID-19 Exposure Management Plan Guidance in TK-12 Schools](#) (3/25/22)
- [Screening and Exposure Decision Pathways for Symptomatic Persons](#) (3/29/22)

## **YPICS:**

Effective Wednesday, March 23, 2022, YPIC's masking guidance for adults and staff remains the same for indoor masking. YPICS will continue to use of masks indoors will be high among our staff and students until after Spring Break. We will continue to monitor COVID-19 cases and make adjustments in alignment with public health guidance and conditions. The following COVID-19 protocols will continue:

- Weekly PCR testing will remain for all students and staff;
- Available KN95, N95, or surgical masks to employees and students upon request;
- YPICS will provide take-home rapid-antigen tests to all staff and students prior to Spring Break;
- Indoor masking will continue until further notice;

We encourage everyone to model for our children how to respectfully respond to individuals with a different perspective on wearing masks. Our goal is to create a supportive and nurturing environment for our students regardless of their individual stance on wearing masks.

## **COVID-19 Testing**

The Health Resources and Services Administration (HRSA) Uninsured Program (UIP) stopped accepting claims due to a lack of sufficient funds on March 22, 2022. Based on the number of students that are currently uninsured, it is anticipated that the cost to YPICS will increase to continue with our current weekly testing until the next board meeting on May 23, 2022.

YPICS currently tests about 90% of our staff/students due to roughly 10% of staff that are excluded from PCR testing due to having recently recovered from COVID-19. The following factors may alleviate this weekly expense:

- Increase in Federal Funds - We may see additional funding from the federal government through an additional stimulus package.

The ED recommends that we continue to test at our current rate until at least the next board meeting on May 23, 2022. YPICS just returned from Spring Break and we are seeing signs of a new COVID-19 variant appearing. Our numbers are low, however, we are also tracking the 3x increase in COVID-19 cases when LAUSD moved to mask their Mask Optional Policy. We will continue to monitor the YPICS cases at all three schools and the YPICS' local communities.

### **YPICS Reorganization**

The YPI Charter Schools completed their final round of reorganization. Executive Administrators are working with their leadership teams to fill vacancies across YPICS.

### **Board Professional Development:**

The Board continues to engage in Professional Development to increase effectiveness and excellence. On Wednesday, April 20, 2022, Board Chair Keipp attended Standards of Effective Charter School Governance. Training provided by Charter Board Partners. The Board Plans to use the training to conduct a survey to determine areas that need improvement as we continue to work on board and leadership succession plans.

### **LAUSD Oversight Visits:**

The LAUSD Charter School Specialist assigned to YPICS is on Leave. Therefore, Yolanda Jordan, CSD Specialist has picked up the additional assignment to conduct the YPICS Oversight Visits for all three schools. The new dates are listed below:

- MORCS: May 18, 2022
- BCCS: May 31, 2022
- BCCHS: May 24, 2022