



YPI CHARTER SCHOOLS

December 5, 2022

TO: YPI Charter Schools
Board of Directors

FROM: Yesenia Zubia, PHRca
Coordinator of HR/AP

SUBJECT: Recommendation to approve 2023 Salary Exempt Compliance Alignment

BACKGROUND

On January 1, 2023, California’s state minimum wage will receive a COLA increase from \$15.00 to \$15.50. With that, the minimum salary needed for exempt employees to remain classified as "exempt" will also increase; the minimum salary needed is based on double the state's minimum wage. Our current credential salary table has salaries starting at below double minimum wage.

ANALYSIS

If we choose not to increase the salaries for the seven (7) staff members, they will need to be reclassified as "non-exempt" employees. This means they will be paid by the hour, entitled to overtime, and any other wage and hours laws within the Labor Commission's Wage Order #4. Six of these staff members are teachers and paying them by the hour will amount to far greater pay liability, given teachers typically put in more than 8 hours of work daily and work on weekends.

Chart 1

Jan. 1, 2023 State Minimum Wage	\$15.50
2023 Exempt 12-mo salary	\$64,480.00
2023 Exempt 11-mo salary	\$59,106.67
2023 monthly salary	\$5,373.33

Staff Out of Compliance	7
Non-Budgeted Increase	\$2,126.36

Chart 2



Staff	School	22-23 Original Salary	Months	Monthly	Monthly Difference	6mo difference	Compliant/Non-Compliant	New Salary from Jan'23 to Jun'23	New Incurred Cost (6mos)
	BC	\$63,200.00	12	\$5,266.67	-\$106.67	-\$640.00	Non-Compliant	\$64,480.00	\$640.00
	HS	\$58,342.00	11	\$5,303.82	-\$69.52	-\$417.09	Non-Compliant	\$59,106.67	\$417.09
	OR	\$58,501.00	11	\$5,318.27	-\$55.06	-\$330.36	Non-Compliant	\$59,106.67	\$330.36
	BC	\$58,768.00	11	\$5,342.55	-\$30.79	-\$184.73	Non-Compliant	\$59,106.67	\$184.73
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	OR	\$58,768.00	11	\$5,342.55	-\$30.79	-\$184.73	Non-Compliant	\$59,106.67	\$184.73
	BC	\$58,768.00	11	\$5,342.55	-\$30.79	-\$184.73	Non-Compliant	\$59,106.67	\$184.73

Chart 3

2022-2023 YPICS Credentialed Teacher Salary Table (6.56%) (Approved 6-28-22)											
Level	Semster Units/ Years	1	2	3	4	5	6	7	8	9	10
20	14 Units or less	\$58,182	\$58,342	\$58,501	\$58,768	\$59,141	\$59,674	\$60,057	\$60,739	\$62,306	\$64,078
21	More than 14 Units	\$58,342	\$58,501	\$58,768	\$59,141	\$59,674	\$60,637	\$61,460	\$62,928	\$64,739	\$66,894
22	More than 28 Units	\$58,501	\$58,768	\$59,141	\$59,674	\$60,367	\$61,461	\$63,536	\$65,387	\$67,264	\$70,370
23	More than 42 Units	\$58,768	\$59,141	\$59,674	\$60,367	\$61,196	\$63,575	\$66,021	\$67,912	\$69,894	\$74,098
24	More than 56 Units	\$59,141	\$59,674	\$60,367	\$61,196	\$63,575	\$66,061	\$68,599	\$70,569	\$72,988	\$77,708
25	More than 70 Units	\$59,674	\$60,367	\$60,852	\$64,343	\$66,841	\$69,459	\$71,256	\$73,465	\$76,320	\$81,396
26	More than 84 Units	\$60,637	\$61,143	\$62,928	\$66,906	\$69,511	\$72,234	\$74,046	\$76,624	\$79,665	\$85,005
27	More than 98 Units	\$60,746	\$63,563	\$65,413	\$69,590	\$72,300	\$75,129	\$76,927	\$79,836	\$82,996	\$88,759
Level	Semster Units/ Years	1	2	3	4	5	6	7	8	9	10

RECOMMENDATION

Due to budgetary constraints, we are proposing only increasing the soon-to-be non-compliant seven (7) staff salaries to the minimum amount needed for them to remain classified as exempt. This increase will result in an unbudgeted increase of \$2,126.36. The credentialed salary table will need to be adjusted in the near future to reflect the changes.

It is recommended that the Board of Directors approve the **2023 Salary Exempt Compliance Alignment** for YPICS.