



EXECUTIVE DIRECTOR'S REPORT

March 27, 2023

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 lifelong 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

State Revenues Shy of Governor's January Estimates

From School Services of California

Posted February 22, 2023

In its latest monthly revenue bulletin, the Department of Finance (DOF) reports that state revenues for the 2022-23 fiscal year are currently \$3.3 billion below Governor Gavin Newsom's estimates from just a month ago when he released his 2023-24 State Budget proposal. The DOF explains that poor revenue performance is due to unexpected shortfalls in cash collections for the last two months, with January 2023 revenues coming in \$2 billion below estimates and December 2022 cash receipts \$1.3 billion below projections. Both corporation tax (CT) and personal income tax (PIT) revenues for January fell below the Governor's Budget estimates, while sales and use tax revenues performed modestly better than expected last month. Weaknesses in PIT and CT collections resulted from the confluence of tax policies affecting anticipated payments paid by businesses that could then be used by individual filers as personal tax credits and the timing of Internal Revenue Service filing deadlines.

2022-23 State Tax Collections
In billions

| | January 2023 | | 2022-23 Year-to-Date | |
|---------------------|--------------|--------|----------------------|--------|
| | Forecast | Actual | Forecast | Actual |
| Personal Income Tax | \$15.4 | \$13.5 | \$65.3 | \$61.8 |
| Corporation Tax | \$2.8 | \$2.2 | \$16.9 | \$17.1 |
| Sales and Use Tax | \$1.5 | \$1.8 | \$18.9 | \$18.8 |

The DOF indicates that the Governor’s Budget accounts for delayed tax payments from the extension of filing deadlines in 41 of the state’s 58 counties that were impacted by winter storms. They also note, however, that “shortfalls in [PIT] withholding and [CT] estimated payments...indicate genuine weakness relative to [the Governor’s] forecast.”

Proposition 98 Minimum Guarantee and Reserve

This acknowledgment lends credence to the Legislative Analyst’s Office projection that there is an 80% chance that revenues for fiscal year 2022-23 would be approximately \$5 billion lower than the Governor’s January estimates by the time the Legislature adopts the 2023-24 State Budget. The fiscal year-to-date shortfall would result in an approximate \$1.3 billion reduction in the Proposition 98 minimum guarantee while a \$5 billion shortfall would further reduce K-14 funding by another \$700 million. The prospect of further reductions to the Proposition 98 minimum guarantee raises questions about the ability of state lawmakers to use the Proposition 98 reserve to maintain current education investments and pay for additional costs associated with a cost-of-living adjustment. Currently, the reserve balance is estimated to be \$8.5 billion. Deposits into and withdrawals from the Proposition 98 reserve is governed by a set of constitutional formulas. When the Proposition 98 minimum guarantee is lower than the prior year level, adjusted for inflation and attendance, the State Constitution requires the state to withdraw from the reserve to bring the minimum guarantee up to the adjusted prior year level. Under the Governor’s Budget estimates, while the minimum guarantee for both 2022-23 and 2023-24 are lower than the 2022 Enacted Budget projections, K-14 funding in 2023-24 (\$108.8 billion) is still expected to be higher than the revised 2022-23 level (\$106.9 billion). This means that the constitutional condition for a reserve withdrawal is not met. If, however, the Governor declares a budget emergency, the Legislature is authorized to make a discretionary withdrawal from the Proposition 98 reserve and allocate those resources for any educational priority. The Governor has not signaled his willingness to declare a budget emergency, and it may be too soon to tell if his January estimates will uphold given tax collection uncertainties from the extended tax filing deadlines.

Proposition 28—Proceed With Caution

Finally, fluctuations in state revenues and their effect on the 2022-23 minimum guarantee will also impact Proposition 28 (The Arts and Music in Schools—Funding Guarantee and Accountability

Act) funding. Recall that Proposition 28 requires the state to provide a General Fund allocation equal to 1% of the prior year's Proposition 98 minimum guarantee. The Governor estimated the state's Proposition 28 obligation to be \$941 million in 2023-24. If the 2022-23 minimum guarantee is reduced because of less-than-expected state revenues, we can expect to see a reduction in the Proposition 28 allotment.

Personnel

COVID-19 Paid Sick Leave Policy Expiration

Throughout the pandemic, YPI Charter Public Schools has aligned its policies with local and state regulations to comply with the law and to reduce the transmission of COVID-19 among students, staff, and surrounding communities. The recent actions taken by local and state government agencies confirm a cautious and concerted effort to safely transition to the policies and procedures that were established before the pandemic.

On December 31, 2022, California's COVID-19 Supplemental Paid Sick Leave (SPSL) came to an end. The 2022 COVID-19 Supplemental Paid Sick Leave provided for two separate banks of leave, each of up to 40 hours. The first bank of COVID-19 Supplemental Paid Sick Leave, up to 40 hours, was available to covered employees unable to work in order to 1) care for themselves due to quarantine, isolation, or symptoms of COVID-19 2) care for a family member quarantine isolation, or symptoms of COVID-19 3) care for themselves due to vaccine-related side effects. The second bank of COVID-19 Supplemental Paid Sick Leave, up to 40 hours, was available only if an employee or a family member for whom they are providing care tested positive for COVID-19. Additionally, California Occupational Safety and Health (Cal/OSHA) adopted new [COVID-19 Prevention Non-Emergency Regulations](#) on February 3, 2023, which eliminated the employer mandate to provide COVID-19 exclusion pay to employees as stipulated in the [Emergency Temporary Standard \(ETS\)](#). Similarly, COVID-19 State of Emergency declarations for California and for the City of Los Angeles have ended on February 28, 2023, and February 1, 2023, respectively.

Effective March 27, 2023, YPI Charter Schools employees will use paid sick leave (for part-time or temporary employees), accrued sick leave, or vacation time (regular and probationary full-time employees) for illnesses. The policy (ratified on February 6, 2023) that granted paid time off up to 10 days for quarantine or isolation due to the COVID-19 global pandemic, will expire on March 27, 2023, and will not be extended. Please see the YPICS Employee Handbook for more information on sick leave. The Executive Director and COO will continue to closely monitor COVID-19 trends and cases and will propose recommendations to the YPICS Board as needed.

Compliance

Statement of Interest - Form 700 Document

A statement of Economic Interest (Form 700) is a state form on which state and local government officials publicly disclose their personal assets and income that may be materially affected by their official acts. Agency employees, including some public officials who are designated in a conflict-of-interest code, are required to disclose certain financial interests according to the disclosure categories assigned to that position in their agency's conflict of interest code. Certain public officials, including public officials who manage public investments, are required to disclose all

financial interests. These officials make full economic disclosure by state law rather than their agency's conflict of interest code.

Members of Charter Schools are public officials and must file form 700. Originally, YPICS required all staff that actively participated in the school's governance and leadership structure to complete Form 700. This requirement extended to board members, officers, directors, assistant directors, administrative coordinators, managers, and faculty representatives. In recent years, the Los Angeles County Board of Supervisors has allowed the submission of form 700 documents via their portal ("e-filers" only) and through DocuSign, along with a list of YPICS positions and their respective conflict of interest and disclosure codes. Moving forward, only positions specified in the agency's conflict of interest codes will be required to submit Form 700. This change notwithstanding, the importance of all leadership and governance roles held by staff members should not be understated. Each leadership role bears a high degree of responsibility, and the decisions made by the committees as part of the governance structure can impact the entire organization.

Last month, The Los Angeles County Board of Supervisors online portal sent an automated email request to all e-filers to complete Form 700. All other required personnel will receive an email from DocuSign to complete the form on Friday, March 3, 2023. Form 700 documents must be completed and returned by March 24, 2023.

Enrollment:

See the 3/23/23 Executive Administrator Reports

Expanded Learning

The Expanded Learning Opportunities Program (ELO-P) provides funding for after-school and summer school enrichment programs for transitional kindergarten (TK) through sixth grade. "Expanded learning" means before-school, after-school, summer, or intersession learning programs that focus on developing the academic, social, emotional, and physical needs and interests of pupils through hands-on, engaging learning experiences. Expanded learning programs are pupil-centered; results-driven; include community partners; and complement, but do not replicate, learning activities in the regular school day and school year.

Next year, schools will receive an audit finding if the ELO-P is not implemented and if funds are not spent.

The proposed legislation contains dozens of other changes. Most are technical in nature, but some more substantive ones of interest to charter schools include the following:

- Clarifies penalties for not offering Expanded Learning under the state's new Expanded Learning Opportunities Program (ELOP).

- It would clarify the interaction of penalties for (1) failing to serve eligible students and (2) penalties for failing to operate the program for all the required hours or days.

The law would call for pro-rata penalties based on the proportion of eligible students not served. Any additional penalties for failing to operate the program for the required number of hours or days would be assessed after the first type of penalty is assessed (if any) and would reduce funding by 0.0049 times the number of days a charter school failed to meet the daily/hourly offering requirement.

YPICS is providing students with a variety of engaging programs, clubs, field trips, assemblies, and special events. We are excited to provide our students with a variety of possibilities and engaging opportunities.

Charter Renewals

Pursuant to [Education Code Section 47607.4](#), all charter schools whose term expires on or between January 1, 2022, and June 30, 2025, shall have their term extended by two years. Given this extension, Monseñor Oscar Romero Charter School is up for the renewal of its petition.

YPICS is working with Janelle Ruley of Young, Minney & Corr to ensure our charter petition complies and is ready for submission in July. As of March 23, 2023, LAUSD has not released guidelines for the submission of charter renewals.

LAUSD:

YPI Charter School Oversight Visits have been scheduled for the dates listed below:

- **Monseñor Oscar Romero Charter School:** Thursday, April 13, 2023
- **Bert Corona Charter School:** Tuesday, April 18, 2023
- **Bert Corona Charter HS:** Friday, April 28, 2023