



Date: August 18, 2021

To: Board of Directors of Navigator Schools

From: Melissa Alatorre Alnas, Director of Schools and HR

Subject: Cost of Living Adjustment (COLA) for CEO

The Board of Directors approved a cost of living adjustment (COLA) for all employees in the form of a 3% salary increase for both the 2020-21 and the 2021-22 school years. The budgets approved by the Board of Directors included the 3% increase for all employees. It is recommended that the Board, by formal motion, authorize a 3% COLA increase for the CEO for both 2020-21 and 2021-22.

It should be noted that in prior years an adjustment to the CEO's salary included an independent entity conducting a "comparability review." Per California Government Code cited below, this is not required when a modification of compensation extends to substantially all employees.

California Government Code Section 12586(g) states that the board of directors of a nonprofit corporation, or an authorized committee of the board, shall review and approve the compensation, including benefits, of the chief executive officer to assure that it is just and reasonable. It further states: "This review and approval shall occur initially upon the hiring of the officer, whenever the term of employment, if any, of the officer is renewed or extended, and whenever the officer's compensation is modified. Separate review and approval shall not be required if a modification of compensation extends to substantially all employees."