

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
NAVIGATOR SCHOOLS, INC.**

The Board of Directors (“Board”) of Navigator Schools, Inc. (“NS”), a tax exempt, California nonprofit public benefit corporation operating public charter schools, does hereby adopt the following resolution pursuant to the provisions of the California Nonprofit Integrity Act, and as also required by the Internal Revenue Service requirements for tax exempt 501(c)(3) entities:

WHEREAS, when NS considers renewing or extending a contract term or modifying total compensation (separate from organization wide increases) to be paid to the NS Chief Executive Officer (“CEO”), the Board must ensure that such compensation is reasonable; and

WHEREAS, the Board must determine the compensation of the CEO within the confines of legal requirements and best practices for tax exempt, nonprofit corporations; and

WHEREAS, the Board must ensure the CEO’s compensation is within the range of similar organizations across the region, also taking into account other factors the Board believes pertinent to the setting of its CEO’s compensation; and

WHEREAS, the Board desires to take all recommended steps to ensure the compensation paid to the CEO is reasonable, and that the Board has followed legally required procedures, as detailed below:

1. Approval of Compensation. The Board must evaluate the compensation of the CEO and approve in advance any change to the compensation for the chief executive officer.
2. Definitions. For purposes of this resolution, chief executive officer of NS is the CEO, and the total compensation paid to the CEO is understood to include a base salary, any bonuses, retirement benefits, fringe benefits, liability insurance premiums, and other monetary or non-monetary benefits provided.
3. Recusal. Any Board members related to the CEO, any employee Board members reporting to the CEO or under his/her supervision, or any other individual having a personal interest in the compensation paid to the CEO, and the CEO himself/herself have been excluded from the Board’s discussion and determination of reasonable compensation.
4. Determining Compensation. The Board’s review of compensation data will guide the Board prior to its making any decisions to alter the CEO’s compensation to ensure the compensation to be paid is reasonable. When determining whether the compensation or any change to compensation is reasonable, the Board:
  - a. Has been presented with and considered comparability data and compared the compensation to be paid to the CEO with the compensation paid to the equivalent executive officers from at least three (3) similar organizations

operating in metropolitan areas that have comparable revenues, employees, service populations and skills.

- b. Recognizes the unique benefits provided by the CEO to NS, including the following: (a) fidelity to the job description and position requirements as articulated in the charter petitions; and (c) charter operations, finance and leadership experience, which would be difficult to replace.]

- 5. Source of Comparability Data. The Board has reviewed comparability data by documenting the compensation paid to officers holding similar positions in similar organizations. (See attached documentation at **Exhibit A**, CEO Reasonable Compensation Comparability Data, attached here and incorporated by reference.) Specifically, the compensation paid to school leaders at similar nonprofits operating public charter schools, as documented by Forms 990 filed with the IRS, leaders of local private schools as documented by Forms 990, and an examination of compensation paid to regional public school district superintendents and/or principals, as documented in public records.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors hereby adopts the foregoing resolution, and establishes the CEO salary to be \_\_\_\_\_ effective July 1, 2018.

BE IT FURTHER RESOLVED, that the Secretary of the Board hereby is authorized to certify this resolution.

\* \* \*

IN WITNESS WHEREOF, the Board of Directors has adopted the above resolution by the following vote at a regular Board meeting this \_\_\_\_ day of \_\_\_\_\_, 2018.

Ayes:

Nos:

Abstentions:

By: \_\_\_\_\_  
Alicia Gallegos Fambrini, Secretary

**Exhibit A: CEO Reasonable Compensation Comparability Data**

Salary	ADA	Stipend/ Bonus	Health Benefits	Grade	Age of School	Notes
193,545	1,990	-	10,825	9-12	10+	Three charters
190,000	1,559	-	3,990	K-12	10+	Six charters. School has 10+ various directors/administrators under ED
129,433	1,025	-	10,000	K-12	10+	Two charters. School has 4-5 various directors/administrators under ED
175,143	968	1,020	8,942	K-8	5-10	Two charters
214,500	721	55,000	7,432	K-8	10+	School has 2-3 various directors/administrators under ED
118,189	648	-	-	9-12	0-5	14-15 Data
159,000	576	-	-	K-8	5-10	14-15 Data
91,800	576	-	7,030	7-12	5-10	School has 2-3 various directors/administrators under ED
110,000	498	-	3,000	K-8	0-5	School has 3-4 various directors/administrators under ED
140,408	456	-	6,667	6-8	0-5	14-15 Data
115,000	445	17,250	5,130	K-6	0-5	School has 2-3 various directors/administrators under ED
141,203	419	-	-	K-6	5-10	School has 1-2 various directors/administrators under ED
110,000	395	-	8,395	K-8	10+	14-15 Data
130,000	332	-	4,449	6-12	0-5	School has 1-2 various directors/administrators under ED
122,000	297	-	6,772	K-5	0-5	School has 2-3 various directors/administrators under ED
165,000	252	-	7,200	9-12	0-5	School has 3-4 various directors/administrators under ED
116,133	252	-	6,064	9-12	10+	
95,000	227	-	6,800	K-8	0-5	
115,000	211	-	6,000	K-8	10+	School has 1-2 various directors/administrators under ED
120,000	180	-	6,000	K-8	0-5	
150,000	127	-	5,097	K-8	0-5	School has 1-2 various directors/administrators under ED
98,000	108	-	-	K-6	0-5	
135,000	73	-	8,000	K-5	0-5	Two separate heads of school, each making this figure
115,000	65	-	8,600	K-5	0-5	School has 1-2 various directors/administrators under ED
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135,390	Average salary across all comparables					
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144,159	Average salary for 300+ADA					
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214,500	Max salary for 300+ ADA					

**Bay Area CMO Executive Compensation**

School Organization	Position	Reportable income	Other income	Total income	990 year
Rocketship Education	CEO	\$168,291	\$15,638	\$183,929	2014
Summit Public Schools	CEO	\$163,000	\$26,983	\$189,983	2014
CEIBA	President	\$150,000	0	\$150,000	2014
ACE Charter	ED	175,000	6,298	\$181,298	2015
ALPHA Public Schools	CEO	\$132,203	\$8,548	\$140,751	2015
Downtown College Prep	ED	\$171,682	\$14,802	\$186,484	2015
VOICES College Bound Language Area	President	\$129,829	\$32,248	\$162,077	2015
Aspire Public Schools	Superintendent	\$139,019	\$24,627	\$163,646	2014
Amethod	ED	\$108,812	0	\$108,812	2014
Education for Change	CEO	\$169,448	\$31,560	\$201,008	2014
KIPP Bay Area	ED	\$186,167	\$17,197	\$203,364	2014
	<b>Average</b>	<b>\$153,950</b>	<b>\$16,173</b>	<b>\$170,123</b>	
	<b>Max</b>	<b>\$186,167</b>	<b>\$32,248</b>	<b>\$203,364</b>	