

## **Board Resolution Regarding Annual Bonuses**

**Date: June 18, 2024**

### **Subject: Establishment of Criteria for Annual Retention Bonuses**

WHEREAS, TEACH Public Schools aims to recognize and reward the dedication and hard work of its staff members through financial incentives;

WHEREAS, the Board recognizes that bonuses are a key component of a competitive compensation package that aids in retaining talented staff and meeting organizational objectives;

WHEREAS, the financial health of TEACH Public Schools, as forecasted by the May close financial statements, is essential to the sustainability of such bonus initiatives;

WHEREAS, the bonuses awarded by TEACH Public Schools are determined to be reasonable and not excessive based on benchmark studies of compensation within similar nonprofit educational organizations;

WHEREAS, the bonus plan was reviewed and approved without any conflict of interest, ensuring fair and equitable treatment of all employees;

BE IT RESOLVED THAT the Board of Directors of TEACH Public Schools hereby approves the provision of retention bonuses to eligible employees under the following conditions:

1. **Eligibility:** All full-time employees of TEACH Public Schools who have completed one year of service by the date of bonus issuance are eligible for the retention bonus.
2. **Bonus Criteria for TEACH Public Schools Staff:** Bonuses will be awarded based on:
  - Continued employment with TEACH Public Schools through the bonus issuance date.
  - The site meeting or exceeding its budgeted enrollment targets for the fiscal year OR
  - The site operating with an annual cash surplus, as forecasted by the monthly financial statements preceding the bonuses payout dates.
  - OR at the discretion of the TEACH Board of Directors, who may consider other factors relevant to the organization's mission and goals.
3. **Bonus Amount and Payment Schedule for TEACH Public Schools Staff:**
  - The retention bonus will be equivalent to 5% of the employee's base annual salary.
  - Payment will be distributed in two installments:
    - 2.5% in December for all 12-month employees.

- 2.5% in July for 12-month employees and in September for 11-month employees.

**4. Compliance and Oversight:**

- This bonus plan and all associated compensation practices will be regularly reviewed by legal counsel to ensure compliance with IRS guidelines, labor laws, and nonprofit compensation standards.
- Any changes to the plan will require Board approval and will be documented in the board meeting minutes to maintain transparency and accountability.

**5. Non-Guarantee:** The provision of bonuses shall not be construed as an entitlement or guarantee of payment in any year, but rather as a discretionary incentive subject to organizational performance, financial stability, and the achievement of specific financial criteria.

**6. Review and Adjustment:** The bonus policy will be subject to annual review and adjustment by the Board, considering the organization's performance, financial stability, and strategic goals.

BE IT FURTHER RESOLVED THAT this bonus policy does not alter the at-will nature of employment at TEACH Public Schools, and employment may be terminated by either the employer or employee at any time, with or without cause or advance notice.

This resolution shall be effective immediately upon its adoption and shall be recorded in the official minutes of the Board meeting and communicated to all employees via official notices from the HR department.

**Adopted by the Board of Directors of TEACH Public Schools at the meeting held on June 18, 2024**

	[vote]
Cecilia Sandoval	
Austin Dragon	
James Lobdell	
Marc Maye	
Spencer Burrows	

**CERTIFICATE OF SECRETARY**

I certify that I am the duly elected Secretary for the Board of Directors of TEACH INC., a California nonprofit public benefit corporation. I hereby certify that the foregoing is a true and correct copy of a resolution duly and legally adopted by the Board of Directors on June 18, 2024 and that this resolution has not been revoked.

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Spencer Burrows  
Board Secretary