Encore Education Corporation Governing Board Summary of Compensation and Benefits Survey Data for Chief Executive Officer

February 2022

Prior to any Board action to approve any decisions regarding executive compensation (including approval of base salary increases, incentive compensation, bonuses, etc.), the Board must first exercise due diligence (review of comparable compensation practices) to ensure compliance with IRS restrictions on excess compensation for nonprofit executives, including the Chief Executive Officer ("CEO") of Encore Education Corporation. The Board's review and approval of the executive compensation must occur: initially upon hiring the executive; whenever the term of employment, if any, is renewed or extended; and whenever the officer's compensation is modified.

In reviewing the reasonableness of compensation for nonprofit executives, the IRS considers "compensation" broadly and will look at the value of salary, as well as non-fixed compensation (incentive compensation/bonuses), and benefits. If the IRS determines compensation is not reasonable, severe consequences may result.

The following is a summary of findings, subsequent to a review and comparison of a sampling of total compensation levels received by public school leaders in Southern California. Compensation figures are from the State Controller's Office for the 2019 and 2020 calendar years (the most recent available). Student enrollment figures are from the California Department of Education for the 2020-2021 school year. The CEO of Encore Education Corporation oversees one charter school in San Bernardino County with a total population of approximately 701 students. Based on these facts, this study compared salary packages of similarly situated public school leaders. The two charter schools and five traditional public schools surveyed in this summary have an average population of 1,028 students.

Of the schools sampled, the average total compensation package (base salary plus other compensation) for school leaders is approximately \$190,023. The average base salary is approximately \$153,965. The range for base salary is \$118,912 to \$193,854. Salaries can range based on many factors such as experience, tenure at the school, student populations, staff size, and location of the school. These salaries are based on the 2020 calendar year, so a reasonable increase of 3% to 5% can be included, making the average base salary between \$158,584 and \$161,663 for calendar year 2022.

Cedar Middle School (San Bernardino County)	1,162 Students
Principal	
Total Compensation Package	\$179,441
Base Salary	\$153,491
Other Compensation (benefits and retirement)	\$25,950
Norton Science and Language Academy (San Bernardino	793 Students
County)	
Principal	
Total Compensation Package	\$145,751
Base Salary	\$118,912
Other compensation (benefits and retirement)	\$26,839
Helendale Elementary (San Bernardino County)	486 Students
Principal	
Total Compensation Package	\$175,021
Base Salary	\$138,708
Other compensation (benefits and retirement)	\$36,313
Painted Hills Middle School (Riverside County)	819 Students
Principal	
Total Compensation Package	\$173,741
Base Salary	\$136,658
Other compensation (benefits and retirement)	\$37,083
Santa Rosa Academy (Riverside County)	1,556 Students
Executive Director	
Total Compensation Package	\$245,460
Base Salary	\$193,854
Other compensation (benefits and retirement)	\$51,606
Rubidoux High School (Riverside County)	1,546 Students
Principal	
Total Compensation Package	\$199,152
Base Salary	\$162,564
Other Compensation (benefits and retirement)	\$36,588
George Washington Charter School (Riverside County)	836 Students
Principal	
Total Compensation Package	\$211,595
Base Salary	\$173,566
Other compensation (benefits and retirement)	\$38,029