

ASSEMBLY BILL

No. 2155

Introduced by Assembly Member Hueso

February 23, 2012

An act to amend Section 42100 of the Education Code, and to amend Section 53260 of the Government Code, relating to school districts.

LEGISLATIVE COUNSEL'S DIGEST

AB 2155, as introduced, Hueso. School districts: financial statements and financial settlements.

(1) Existing law requires the governing board of each school district, on or before September 15, to approve an annual statement of all receipts and expenditures of the school district for the preceding fiscal year, and to file the statement with the county superintendent of schools. Existing law further requires each charter school, on or before September 15, to approve an annual statement of all receipts and expenditures of the charter school for the preceding fiscal year, and to file the statement with the entity that approved the charter school.

This bill would require the annual statement of a school district to include, but not be limited to, separate line items setting forth the values of, and the purposes for which, the receipts and expenditures that were incurred by the school district superintendent and each school district administrator for the preceding fiscal year. The bill would also require the annual statement of a charter school to include, but not be limited to, separate line items setting forth the values of, and the purposes for which, the receipts and expenditures that were incurred by each charter school administrator for the preceding fiscal year. By imposed additional duties on school districts and charter schools, the bill would impose a state-mandated local program.

(2) Existing law limits the amount of a cash or noncash settlement that a school district may provide its district superintendent if it terminates the superintendent’s contract of employment and it is confirmed pursuant to an independent audit that the superintendent engaged in fraud, misappropriation of funds, or other illegal fiscal practices. In this case, existing law requires an administrative law judge, after a hearing, to determine the amount of the cash settlement.

This bill would delete the requirement that it be confirmed that the district superintendent engaged in fraud, misappropriation of funds, or other illegal fiscal practices from the provision limiting the amount of the cash or noncash settlement that a school district may provide its district superintendent if it terminates the superintendent’s contract of employment. This bill also would delete the requirement that the amount of the cash settlement be determined by an administrative law judge after a hearing.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 42100 of the Education Code is amended
2 to read:
3 42100. (a) On or before September 15, the governing board
4 of ~~each~~ a school district shall approve, in a format prescribed by
5 the Superintendent of ~~Public Instruction~~, an annual statement of
6 all receipts and expenditures of the *school* district for the preceding
7 fiscal year. *The annual statement shall include, but is not limited*
8 *to, separate line items setting forth the values of, and the purposes*
9 *for which, the receipts and expenditures that were incurred by the*
10 *school district superintendent and each school district*
11 *administrator for the preceding fiscal year. The governing board*
12 *of a school district shall file the statement, along with the statement*
13 *received pursuant to subdivision (b), with the county superintendent*

1 of schools. On or before October 15, the county superintendent of
2 schools shall verify the mathematical accuracy of the statements
3 and shall transmit a copy to the Superintendent of Public
4 Instruction.

5 (b) On or before September 15, each a charter school shall
6 approve, in a format prescribed by the Superintendent of Public
7 Instruction, an annual statement of all receipts and expenditures
8 of the charter school for the preceding fiscal year. *The annual*
9 *statement shall include, but is not limited to, separate line items*
10 *setting forth the value of, and the purposes for which, the receipts*
11 *and expenditures that were incurred by each charter school*
12 *administrator for the preceding fiscal year. The charter school*
13 *shall file the statement with the entity that approved the charter*
14 *school.*

15 (c) The forms prescribed by the Superintendent of Public
16 Instruction shall be adopted as regulations by the State Board of
17 Education state board, and may be amended periodically to
18 accommodate changes in statute or government reporting standards.

19 SEC. 2. Section 53260 of the Government Code is amended
20 to read:

21 53260. (a) All contracts of employment between an employee
22 and a local agency employer shall include a provision which
23 provides that regardless of the term of the contract, if the contract
24 is terminated, the maximum cash settlement that an employee may
25 receive shall be an amount equal to the monthly salary of the
26 employee multiplied by the number of months left on the unexpired
27 term of the contract. However, if the unexpired term of the contract
28 is greater than 18 months, the maximum cash settlement shall be
29 an amount equal to the monthly salary of the employee multiplied
30 by 18.

31 (b) (1) Notwithstanding subdivision (a), if a local agency
32 employer, including an administrator appointed by the
33 Superintendent of Public Instruction, terminates its contract of
34 employment with its district superintendent of schools that local
35 agency employer may not provide a cash or noncash settlement to
36 its superintendent in an amount greater than the superintendent's
37 monthly salary multiplied by zero to six if the local agency
38 employer believes, and subsequently confirms, pursuant to an
39 independent audit, that the superintendent has engaged in fraud,
40 misappropriation of funds, or other illegal fiscal practices. The

1 amount of the cash settlement described in this paragraph shall be
2 determined by an administrative law judge after a hearing.

3 (2) This subdivision applies only to a contract for employment
4 negotiated on or after the effective date of the act that added this
5 subdivision.

6 (c) The cash settlement—~~formula~~ *formulas* described in
7 subdivisions (a) and (b) are maximum—~~ceiling~~ *ceilings* on the
8 amounts that may be paid by a local agency employer to an
9 employee and ~~is are not a target or example~~ *targets or examples*
10 of the amount of the cash settlement to be paid by a local agency
11 employer to an employee in all contract termination cases.

12 SEC. 3. If the Commission on State Mandates determines that
13 this act contains costs mandated by the state, reimbursement to
14 local agencies and school districts for those costs shall be made
15 pursuant to Part 7 (commencing with Section 17500) of Division
16 4 of Title 2 of the Government Code.