



# THE SUPERINTENDENT PAY TRANSPARENCY ACT (LB470)

2014 Administrator Days

By: Jim Gessford

## I. The Basics

1. LB 470 Effective date July 1, 2014
2. Amends §13-504 (Budget Act)
3. New §§79-2401 to 79-2405

## II. The Law

**79-2401. Act, how cited.** Sections [79-2401](#) to [79-2405](#) shall be known and may be cited as the **Superintendent Pay Transparency Act**.

**79-2402. School board; board of educational service unit; contract or amendment; publication; contents; contract approval; publication.** (1) Before the school board of any school district or the board of any educational service unit approves a proposed contract, or any proposed amendment to an existing contract, for future superintendent services to be rendered to such school district by the current superintendent or future administrator services to be rendered to such educational service unit by the current administrator, the board shall publish a copy of such proposed contract or amendment, and a reasonable estimate and description of all current and future costs to the school district or educational service unit if the proposed contract or amendment were to be approved, at least three days before the meeting of the board at which such proposed contract or amendment will be considered. Such publication shall also specify the date, time, and place of the public meeting at which the proposed contract or amendment will be considered. Electronic publication on the web site of the school district or educational service unit shall satisfy the requirement of this subsection if such electronic publication is prominently displayed and allows public access to the entire proposed contract or amendment.

(2) After the school board of any school district or the board of any educational service unit approves a contract for future superintendent services to be rendered to such school district by a new superintendent or future administrator services to be rendered to such educational service unit by a new administrator, the board shall publish a copy of such contract, and a reasonable estimate and description of all current and future costs to the school district or educational service unit that will be incurred as a result of such contract, within two days after the meeting of the board at which such contract was approved. Electronic publication on the web site of the school district or educational service unit shall satisfy the requirement of this subsection if such electronic publication is prominently displayed and allows public access to the entire contract.

**79-2403. Contract or amendment; filing with State Department of Education; public posting.** After approval of a contract, or any amendments thereto, for superintendent services or educational service unit administrator services, the approving board shall file a copy of such contract or amendment with the State Department of Education on or before the next succeeding August 1. The department shall have no duty to review such contracts or amendments but shall publicly post all such contracts or amendments received on the web site of the department.

**79-2404. Failure to file approved contract or contract amendment; Commissioner of Education; withhold funds; duties; county treasurer; duty.** If the school board of any school district or the board of any educational service unit fails to timely file a copy of an approved contract, or contract amendment, for superintendent services or educational service unit administrator services with the State Department of Education as required in section 79-2403, the Commissioner of Education, after notice to the board president and either the superintendent or educational service unit administrator and an opportunity to be heard, shall direct that any state aid granted pursuant to the Tax Equity and Educational Opportunities Support Act to the school district or core services and technology infrastructure funds granted pursuant to section 79-1241.03 to the educational service unit be withheld until such time as the contract or amendment is received by the department. In addition, the commissioner shall direct each county treasurer of a county with territory in the school district or educational service unit to withhold all money belonging to the school district or educational service unit until such time as the commissioner notifies such county treasurer of receipt of such contract or amendment. Each such county treasurer shall withhold such money. For school districts that are members of learning communities, a determination of school money belonging to the school district shall be based on the proportionate share of property tax receipts allocated to the school district pursuant to section 79-1073 in addition to the other property tax receipts belonging to the school district. If the board does not comply with this section prior to October 1 following the school fiscal year for which the state aid or core services and technology infrastructure funding was calculated, the funds shall revert to the General Fund. The amount of any reverted funds shall be included in data provided to the Governor, the Appropriations Committee of the Legislature, and the Education Committee of the Legislature in accordance with section 79-1031.

**79-2405. Amendments to contracts; subject to act.** All amendments to a contract for superintendent services or educational service unit administrator services shall be subject to the Superintendent Pay Transparency Act, including, but not limited to, amendments involving salary increases or benefit changes.

**13-504. Proposed budget statement; contents; corrections; cash reserve; limitation.**

(I) Each governing body shall annually or biennially prepare a proposed budget statement on forms prescribed and furnished by the auditor. The proposed budget statement shall be made available to the public by the political subdivision prior to publication of the notice of the hearing on the proposed budget statement pursuant to section 13-506. A proposed budget statement shall contain the following information, except as provided by state law: \* \* \*

(g) For school districts and educational service units, a separate identification and description of all current and future costs to the school district or educational service unit which are reasonably anticipated as a result of any contract, and any adopted amendments thereto, for superintendent services to be rendered to such school district or administrator services to be rendered to such educational service unit.

**NOTES:**

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1	<b>Superintendent Pay Transparency Notice—Proposed Contract</b> <i>(Name of current or new superintendent)</i>						
2	Notice is hereby given that _____ Schools has approval of a proposed superintendent employment contract/contract amendment on its agenda for the board meeting to be held on _____, 20__ at __ am/pm at the _____ Room in _____, Nebraska.						
3							
4	After the 2014/15 school year, how many years remain on the contract: _____ (Column F must be completed if additional years remain on contract.)						
5							
6	The estimated costs to the district for the 2014/15 year and future years are listed below:						
7					2014/15 Base Pay, Additional Compensation & Benefits	Future Base Pay, Additional Compensation & Benefits per Contract	TOTAL CONTRACT COST
8							
9							
10							
11	<b>Base Pay for the Total FTE</b>						\$ -
12							
13	<b>Compensation for activities outside of the regular salary:</b>						
14	• Extended contracts / Activities outside of regular salary						\$ -
15	• Bonus/Incentive/Performance Pay						\$ -
16	• Stipends						\$ -
17	• All other costs not mentioned above						\$ -
18							
19	<b>Benefits and Payroll Costs Paid by district:</b>						
20	• Insurances (Health, Dental, Life, Long Term Disability)						\$ -
21	• Cafeteria Plan Stipend						\$ -
22	• Cash in lieu of insurance						\$ -
23	• Employee's share of retirement, deferred compensation, FICA and Medicare <u>if paid by the district</u>						\$ -
24	• District's share of retirement, FICA and Medicare						\$ -
25	• IRS value of housing allowance						\$ -
26	• IRS value of vehicle allowance						\$ -
27	• Additional leave days						\$ -
28	• Annuities						\$ -
29	• Service credit purchase						\$ -
30	• Association / Membership dues						\$ -
31	• Cell Phone/Internet reimbursement						\$ -
32	• Relocation reimbursement						\$ -
33	• Travel allowance/reimbursement						\$ -
34	• Mileage Allowance						\$ -
35	• Educational tuition assistance						\$ -
36	• All other benefit costs not mentioned above						\$ -
37							
38	<b>Totals:</b>				\$ -	\$ -	\$ -

**Enter Years Remaining on Contract Here**

## Instructions for Completing Schedule D -Superintendent Pay Transparency Act Notice

Schedule D is provided to collect current and future costs to a school district for the services of the school superintendent in accordance with LB 470.

*To complete Schedule D, enter the following information (where applicable) into highlighted cells on Schedule D. Row 1 & 2 have been provided to assist with the school publication requirements of LB 470, they are not a required part of this form and may be left incomplete.*

<b>Cell Reference</b>	<b>Item</b>	<b>Description</b>
F4	Contract Length	The number of years that remain until end of the contract.
E11	Base Pay	The total base pay before any deductions.
F14	Extended Contracts	Amount paid if number of days in contract increase. Include extra duty pay, e.g. coaching.
F15	Bonus, Incentive or Performance Pay	Amount paid if specific conditions listed in the contract are met.
F16	Stipends	Additional compensation for additional hours, days worked, or extra duty pay (sports or activities).
F17	All other costs not listed above	Any other additional compensation paid by the district.
F20	Insurance	District cost for health-related insurance [e.g., Health, Dental, Life, Long Term Disability (% rate of salary + benefits)]
F21	Cafeteria Plan Stipend	District contribution to the individual's plan. Includes individual's or family deductible.
F22	Cash in lieu of insurance	Amount paid by the district for not participating in the district insurance plan(s).
F24	Employee's share of retirement...	Amount paid by district to cover retirement contribution, deferred compensation, FICA and Medicare traditionally paid by an employee.
F25	District share of retirement...	Amount paid by district for the employer share of retirement (9.8778%), FICA (6.2% up to \$117,000) and Medicare (1.45%).
F26	IRS value of housing allowance	Amount equal to the fair market rental value of the housing (purchased or provided).
F27	IRS value of vehicle allowance	Amount equal to annual cost of a vehicle – sole use for superintendent (purchased or provided).
F28	Leave days	Estimated leave days used (e.g. 3-year average); additional leave days included in contract; value of unused leave balance from previous year.
F29	Annuities	Amount paid by the district to purchase annuities.
F30	Service Credit Purchase	Amount paid by district to purchase additional school retirement credit.
F31	Association / Membership Dues	Cost of all memberships and fees paid by district.
F32	Cell Phone/Internet Reimbursement	Cost of cell phone and internet bills reimbursed by district.
F33	Relocation reimbursement	Cost of all moving expenses for relocation reimbursed by the district.
F34	Travel allowance reimbursement	Cost transportation paid by the district; projected or based on previous year's travel; (e.g. mileage, fuel, per diem rate).
F34	Mileage allowance	Monthly mileage allowance paid by district
F36	Educational tuition assistance	Amount to be paid by district for cost of job-related tuition.
F37	All other benefit costs not listed above	Employee's share of any other benefit if paid by the district (e.g. stipends for expenses).