



Santa Barbara County Education Office

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Susan C. Salcido, Superintendent of Schools

July 8, 2021

SBAS-9434

TO: K-12 School Districts

ATTENTION: Chief Business Officials

FROM: Denice Cora, Administrator

SUBJECT: **Public Disclosure of Proposed Collective Bargaining Agreements**

Public school employers are required to provide notification of salary settlements to their reviewing agencies and publicly disclose proposed collective bargaining agreements prior to entering into a written agreement. This provision ensures that the public is aware of the costs associated with a tentative collective bargaining agreement prior to it becoming binding. Our office would therefore like to remind you of the following public disclosure requirements related to collective bargaining agreements.

Public Disclosure Requirement

Before entering into a written agreement with a collective bargaining unit, the district shall disclose, at a public meeting, the major provisions of the agreement, including, but not limited to, the costs that would be incurred under the agreement for the current and subsequent years (Government Code Section 3547.5(a)).

Certification by Superintendent and Chief Business Official

The district's superintendent and chief business official (CBO) must certify, in writing, that the costs incurred under the collective bargaining agreement can be met by the district during the term of the agreement. This certification shall itemize any budget revisions necessary to meet the costs of the agreement in each year of its term (Government Code Section 3547.5(b)).

Budget Revisions

Within 45 days of adopting the collective bargaining agreement, the district must submit to the county office of education any revisions to its current year budget that are necessary to fulfill the terms of the agreement. The budget revisions included in Certification No. 1 on page 9 of the disclosure satisfies this requirement. In addition, these costs must be reflected in the district's interim fiscal reports and multiyear fiscal projections (Education Code Section 42142). Therefore, districts must input budget revisions in Escape and ensure that these amounts are correctly included in all future budget and financial reports.

Budget revisions not adopted

If a district does not adopt all of the revisions to its budget needed in the current year to meet the costs of the agreement, our office is required to issue a qualified or negative certification for the district on its next interim report (Government Code Section 3547.5(c)).

Timelines for disclosure, preview and comment

A public disclosure must be prepared for all single year and multi-year agreements, including those for no increase or a decrease in compensation (i.e., furloughs, reduction in salary, benefits, and stipends).

To fulfill the disclosure requirements relating to collective bargaining agreements, please use the *Public Disclosure of Collective Bargaining Agreement* (Public Disclosure) form provided by our office. This Excel workbook, along with preparation instructions, is available on the SBAS website.

Preview (prior to board action)

Please submit the Public Disclosure form and a copy of the tentative bargaining agreement to SBAS for preview **at least ten (10) working days** prior to the date on which the governing board will take action on the proposed collective bargaining agreement. During the preview period, we will verify that the correct budget was used as a basis to evaluate the impact of the agreement and ensure that the disclosure is transparent, complete, and that the calculated fiscal impact of the proposed agreement appears reasonable.

Statute requires that school districts with a qualified or negative certification allow the county office of education **at least 10 working days** to review and comment on any proposed collective bargaining agreement (Government Code Section 3540.2(a)). However, we ask that all districts submit the Public Disclosure form for preview prior to board action, regardless of a district's budget certification.

The county superintendent of schools will notify the school district, county board of education, governing board of the school district, and each parent and teacher organization within those 10 days if, in his or her opinion, the agreement would endanger the fiscal well-being of the school district (Government Code Section 3540.2(c)).

Submission (after board action)

Immediately after the governing board has taken action on the proposed agreement, the board approved Public Disclosure form must be resubmitted to SBAS along with original signatures. Any revisions made to the agreement, which were not part of the original documents initially submitted to our office for preview, must be clearly indicated.

After board approval, please also notify the School Business Advisory Services Payroll Team if your district will be processing salary or benefit adjustments.

Please feel free to contact your district financial advisor if you have any questions.

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Attachment

c District Financial Advisors