

SECOND REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 1973
94TH GENERAL ASSEMBLY

Reported from the Committee on Pensions, Veterans' Affairs and General Laws, April 15, 2008, with recommendation that the Senate Committee Substitute do pass and be placed on the Consent Calendar.

4885S.02C

TERRY L. SPIELER, Secretary.

AN ACT

To repeal section 165.111, RSMo, and to enact in lieu thereof two new sections relating to compensation for education personnel, with penalty provisions.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 165.111, RSMo, is repealed and two new sections
2 enacted in lieu thereof, to be known as sections 165.111 and 169.562, to read as
3 follows:

165.111. 1. The school board of each district, for any year for which it
2 does not cause an audit to be performed by October thirty-first after the close of
3 the school year, shall make and publish, not later than September first, in some
4 newspaper as described in section 493.050, RSMo, published in the school district,
5 and if there is none then in some newspaper of general circulation within the
6 district, a statement of all receipts of school moneys, when and from what source
7 derived, and all expenditures, and on what account; also, the present
8 indebtedness of the district and its nature, and the rate of taxation for all
9 purposes for the year, **including the property tax rate**. The statement shall
10 be duly attested by the president and secretary of the board, and the secretary
11 shall forward a copy to the state board of education on forms prescribed by the
12 board.

13 2. **The school board of each district for any given year shall**
14 **provide a full detailed financial statement that will include the names**
15 **and total compensation packages of, and any expenses made by or on**
16 **behalf of, the district's superintendent, and all assistant**
17 **superintendents. If consultants are hired for administrative duties, the**
18 **district shall publish the total compensation package of each**
19 **consultant, and the disclosure shall be made separate for each**

20 individual administrator. The disclosure shall include whether
21 incentives under sections 168.710, 168.714, 168.716, and 168.720, RSMo,
22 are available or used. The statement shall be forwarded to the
23 department of elementary and secondary education, and all the
24 information included in the statement required under this subsection
25 shall be published on the department's Internet web site.

26 3. For purposes of subsection 2 of this section, "total
27 compensation package" includes, but is not limited to, base salary,
28 retirement benefits, dues and club memberships, housing and auto
29 allowances, entertainment allowances, cell phone or personal digital
30 assistant and service contract, deferred compensation, buy-out clause,
31 pay-for-performance goals, donations from school foundations, and any
32 other valuable consideration provided as cash, credit, or services as a
33 result of employment, expressed in dollars.

34 4. The state board of education shall not release the state aid apportioned
35 to the district for the next ensuing school year until a copy of the required
36 statement has been received at its office in Jefferson City and has been approved
37 by it. Any school board which fails, refuses or neglects to order the statement to
38 be made, and any officer of the board who fails, refuses, or neglects to prepare,
39 publish and forward the statement, as required by this section, when ordered by
40 the board, is guilty of a misdemeanor and punishable by a fine not to exceed one
41 hundred dollars. Annual or biennial audit summaries shall be published
42 according to section 165.121.

169.562. 1. To the extent determined appropriate by the board
2 of trustees, the retirement system established under sections 169.020
3 and 169.610 may indemnify and protect any trustee or employee of the
4 retirement system against any or all claims or liabilities, including
5 defense thereof arising out of his or her responsibilities with respect
6 to the retirement system, provided, however, that no trustee or
7 employee shall be indemnified for his or her gross negligence or willful
8 misconduct. This section shall apply whether the claim is made against
9 the employee or trustee in his or her individual or official capacity.

10 2. The board of trustees is authorized to obtain and maintain
11 insurance and indemnity policies to insure the trustees and employees
12 of the retirement system against any liability or losses incurred as a
13 result of their responsibilities with respect to the retirement system.

14 3. No employee or trustee shall be entitled to indemnification

15 **under this section unless within fifteen days after receipt of service of**
16 **process he or she gives written notice of such proceeding to the board**
17 **of trustees.**

✓