



DISTRICT FINANCIAL SERVICES INSIGHTS

New Legislation

Here's a look at some of the laws affecting purchasing, facilities, and child nutrition that take effect Jan. 1, 2018

AB 841 – Advertising, National School Lunch Program

Prohibits, except as provided, a school, school district, or charter school from advertising food or beverages during the school day and from participating in a corporate incentive program that rewards pupils with free or discounted foods or beverages that do not comply with nutritional standards. The bill would provide that it is the intent of the Legislature that the governing board or body of a school district and a charter school annually review their compliance with these provisions.

Does not require a school or school district to replace branded items, including but not limited to scoreboards or team uniforms, in order to be in compliance with this act.

AB 203 – Streamlining of School Construction

Requires the California Department of Education (CDE), the Division of the State Architect, and the Office of Public School Construction to work together to streamline their application processes to avoid duplicative information being required of their applicants.

Requires the CDE to assist small school districts with technical assistance relating to school construction and the funding of school facilities.

AB 1066 – Changes Definition of Public Works

Adds tree-removal work done in the execution of a project to Section 1720 of the Labor Code.

SB 450 – Bonds, Public Notice

Requires, prior to authorization of the issuance of certain bonds, the governing body of a public entity to obtain and disclose specified information regarding the bonds in a meeting open to the public. The bill requires the information to be obtained as a good faith estimate from an underwriter, financial advisor, private lender, or third-party borrower.

SB 20 – Charter Vehicles, Seat Belts

Prohibits a parent, legal guardian, or chartering party from transporting on a bus that is equipped with safety belts, or permitting to be transported on a bus that is equipped with safety belts, a child, ward, or passenger who is 8 years of age or older, but under 16 years of age, unless he or she is properly restrained by a safety belt.

AB 1455 – Exemption from Public Records Act

Exempts from disclosure specific records of local agencies related to activities governed by the Meyers-Milias-Brown Act.

SB 544 – Child Nutrition Procurement

Requires procurement bid solicitations and awards made by a school district for purchases in support of federal nonprofit child nutrition programs to be consistent with certain federal procurement standards. The bill would require awards to be let to the most responsive and responsible party, and would require price to be the primary consideration, but not the only determining factor.

IMPORTANT DATES AND DEADLINES

WORKSHOPS and DEADLINES

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|---------|------------------------------------|
| Nov. 13 | 2017 W-2 Reportables Open Lab |
| Nov. 16 | EDGAR Regulations (Poway Unified) |
| Dec. 15 | First Interim Reports due to SDCOE |

FUTURE PROPOSITION 39 DEADLINES

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| June 30, 2018 | LEA's final encumbrance |
| Aug. 1, 2018 | Final Expenditure Plan submission |
| June 30, 2020 | Final date all projects must be complete |

AB 691 – Almond Milk

Specifies that almond milk is a nondairy milk that is authorized to be sold to pupils at public schools.

SB 418 – Skilled Workforce

Revises the definition of a “skilled and trained workforce” to exclude from the conditions work performed on or after specified dates, in certain occupations.

AB 341 – Payment for Field Trips

Deletes the prohibition of school districts from paying expenses of pupils participating in a field trip or excursion to any other state, the District of Columbia, or a foreign country with school district funds.

AB 92 – Retention

Extends existing provisions regarding retention to Jan. 1, 2023.

AB 10 – Feminine Hygiene

Requires a public school maintaining any combination of classes from grades 6 to 12 that meets a 40 percent pupil poverty threshold specified in federal law to stock 50 percent of the school’s restrooms with feminine hygiene products. The bill prohibits a public school from charging for any menstrual products, including feminine hygiene products, provided to pupils. By imposing additional duties on public schools, the bill would impose a state-mandated local program.

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 provides 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 the statutory provisions noted above.

The above list of chaptered legislation is not all inclusive and is in summary form. A number of bills were signed into law that will impact school districts. For the full text and list of all chaptered legislation, see:

<https://legiscan.com/CA/legislation/2017?page=5&status=passed>

Contractor License Requirement

We have seen an unusual increase in the number of public works contracts being processed for payment for which the contractor does not have a license.

The Contractors State License Board states:

All businesses or individuals who construct or alter any building, highway, road, parking facility, railroad, excavation, or other structure in California must be licensed by the Contractors State License Board if the total cost (labor and materials) of one or more contracts on the project is **\$500 or more**. All contractors, including subcontractors, specialty contractors, and persons engaged in the business of home improvement (with the exception of joint ventures and projects involving federal funding) must be licensed before submitting bids. Licenses may be issued to individuals (sole owners), partnerships, corporations, limited liability companies, or joint ventures.

For more information, visit:

http://www.cslb.ca.gov/About_Us/Library/Licensing_Classifications/

<https://www2.cslb.ca.gov/OnlineServices/CheckLicense/CheckLicense.aspx>

Did you Know?

THE RETROACTIVE PAY PROCESS

The retroactive pay process in PeopleSoft HCM is collaborative effort that involves the district, the Customer Resource Center (CRC), the SDCOE Retirement Reporting department, and the Post Implementation Team (PIT). The district kicks off the process by submitting a HEAT ticket to first get salary schedule(s) updated in HCM. After successful completion, the CRC notifies the district, the Retirement Reporting department, and PIT that another HEAT ticket is needed to initiate a retroactive payment. The soonest retroactive pay can be processed is one month after the salary schedule(s) are updated in HCM. The retro process takes a minimum of three weeks for all three units to complete the rigorous calculations, audits for retirement reporting, and upload to the payroll. Districts will be asked to submit supporting information to the different units to ensure correct payment and retirement reporting.

COMMERCIAL WARRANTS STAFFING

We have added a new member to the Commercial Warrants Audit Unit. Allison White joined us Oct. 23. She will commence auditing districts by late November.