



# STATE OF IOWA

GOVERNOR TERRY E. BRANSTAD  
LT. GOVERNOR KIM REYNOLDS

BOARD OF EDUCATIONAL EXAMINERS  
DUANE T. MAGEE, EXECUTIVE DIRECTOR

Monday, May 13, 2013

Dear Colleagues:

Recently, an isolated issue before the Board of Educational Examiners raised concerns about practices regarding superintendent compensation, benefits, and the transparency of the process through which these items are approved or adopted. The Board believes that inappropriate superintendent compensation practices are rare, but wanted to provide proactive guidance in order to help licensees and local school boards avoid a potential ethics complaint. This letter of guidance is being provided to the field at the request of the Board.

The Board understands that, in many cases, local school boards allow superintendents (and perhaps other employees) to re-direct any allowance for health insurance benefits or other benefits, when doing so would be more advantageous to the individual employee. There are no ethical concerns with crafting benefit packages that maximize benefits to the employee. However, the Board wants to stress that such arrangements must be memorialized in contract and/or local school board policy. Additionally, contracts and compensation packages and policies for superintendents should be reviewed by the local school board on an annual basis. Reviewing these items every year will ensure that newly elected board members are aware of the details of the superintendent's compensation package.

If a local school board allows a superintendent or other employee to receive benefits that are not reflected in contract or written policy, there is the potential for an ethics complaint to the Board of Educational Examiners based on a perceived lack of transparency and financial malfeasance. Therefore, the best practice is to set forth any atypical or unique benefits arrangement in a written document that is at least available for public scrutiny. It is the responsibility of both the employee in question and the local school board to make sure matters of compensation and benefits are handled in a way that avoids even the appearance of impropriety.

If you have any questions regarding this letter, please feel free to contact me. Thank you all for your service to education in Iowa and the important and difficult work you do for students and schools in our great state.

Respectfully,

A handwritten signature in blue ink, appearing to read "D. Magee".

Duane T. Magee  
Executive Director  
DTM/dl

Cc: Jason Glass, Director, Iowa Department of Education  
Dan Smith, Executive Director, School Administrators of Iowa  
Tom Downs, Executive Director, Iowa Association of School Boards