

BUSINESS AND FINANCE*Fiscal Authority and Settlement***Adopted: 10/22/2025****First Reading: 10/22/2025****Second Reading:**

Litigation may arise against the Tuolumne County Special Education Local Plan Area (SELPA) stemming from its own actions, programs, contracts, or regionalized services (including staffing and service delivery administered by the SELPA). Such matters may include, without limitation: IDEA due process hearings, state compliance complaints, Section 504/ADA claims, Office for Civil Rights (OCR) investigations, contract and procurement disputes, personnel actions related to SELPA-administered services, and related pre-litigation claims.

The purpose of this policy is to establish clear roles, fiscal limits, and governance for managing litigation against the SELPA—ensuring timely access to legal counsel, prudent use of public funds, and compliance with the Brown Act, IDEA/Section 504/ADA, and the SELPA Local Plan. This policy defines the SELPA Administrator’s expenditure authority, requires Governing Board approval for any settlement agreement, outlines cost-allocation principles, and sets expectations for advance Board briefings and closed-session procedures.

Administrator Authority (Expenditure Limit)

The SELPA Administrator is authorized to approve legal expenditures, expert costs, and related litigation expenses up to a cumulative limit of \$50,000 per matter, inclusive of fees and costs, absent further action by the SELPA Governing Board.

Settlement Agreements — Board Approval Required

Any settlement agreement—monetary or non-monetary—requires formal approval by the SELPA Governing Board. The SELPA Administrator shall not bind SELPA, member LEAs, or TCSOS to settlement terms without Board approval.

Board Briefing and Closed Session

Advance Briefing. The SELPA Administrator shall advise the SELPA Governing Board of potential or pending litigation against the SELPA before any settlement agreement is signed and shall place a closed-session briefing on the earliest practicable agenda.

Closed-Session Authority and Agenda Language. Litigation and settlement discussions shall be held in closed session under the Brown Act as applicable:

- Existing Litigation — Conference with Legal Counsel (Gov. Code § 54956.9(d)(1))
Agenda: “Conference with Legal Counsel — Existing Litigation (Gov. Code § 54956.9(d)(1)) — OAH Case No. [redacted].”
- Anticipated Litigation (Significant Exposure) — Conference with Legal Counsel (Gov. Code § 54956.9(d)(2))
Agenda: “Conference with Legal Counsel — Anticipated Litigation, Significant Exposure to Litigation (Gov. Code § 54956.9(d)(2)).”

- Anticipated Litigation (Initiation) — Conference with Legal Counsel (Gov. Code § 54956.9(d)(4))
Agenda: “Conference with Legal Counsel — Anticipated Litigation, Initiation of Litigation (Gov. Code § 54956.9(d)(4)).”

Settlement Approval and Report Out. No settlement is effective unless approved by the SELPA Governing Board in closed session and reported as required by the Brown Act (Gov. Code § 54957.1(a)(3)).

Confidentiality. Closed-session materials and discussions are subject to attorney-client privilege, attorney work-product, and applicable student privacy laws (IDEA/FERPA).

Exceeding Limits and Fiscal Impact

Commitments expected to exceed \$50,000 in cumulative expenses, or any settlement proposal of any amount, must be presented to the SELPA Governing Board with a fiscal impact analysis and recommended funding source(s).

Emergencies

In exigent circumstances where immediate action is necessary to preserve rights (e.g., statutory filing deadlines), the SELPA Administrator may authorize interim actions within the \$50,000 limit and shall notify the Board Chair within two (2) business days, with an informational report at the next regular meeting.

Cost Allocation and Disagreements

Fiscal responsibility shall align with the SELPA Fiscal Allocation Plan, the Local Plan, and any applicable MOUs. Matters arising from SELPA-administered regional services are presumptively SELPA-funded; matters arising solely from a member LEA’s local program are presumptively LEA-funded; mixed-responsibility matters may be apportioned by the Governing Board.