

[As Amended by House Committee of the Whole]

As Amended by House Committee

Session of 2009

HOUSE BILL No. 2239

By Committee on Appropriations

2-3

12 AN ACT concerning school districts; ~~enacting the Kansas uniform finan-~~
13 ~~cial accounting and reporting act; amending K.S.A. 2008 Supp. 72-~~
14 ~~8254 and repealing the existing section relating to reports submit-~~
15 ~~ted to the state board of education; amending K.S.A. 75-1124~~
16 ~~and K.S.A. 2009 Supp. 72-7536, 72-8253 and 72-8254 and re-~~
17 ~~pealing the existing sections.~~

18
19 *Be it enacted by the Legislature of the State of Kansas:*

20 ~~Section 1.—K.S.A. 2008 Supp. 72-8254 is hereby amended to read as~~
21 ~~follows: 72-8254. In order to achieve uniform reporting of expenditures~~
22 ~~by school districts in school district budgets, districts shall report expend-~~
23 ~~itures in the manner required by the state board.~~

24 ~~—(a)—This section shall be known and may be cited as the Kansas uni-~~
25 ~~form financial accounting and reporting act.~~

26 ~~—(b)—As used in this section:~~

27 ~~—(1)—“School district” means any school district in the state.~~

28 ~~—(2)—“State board” means the state board of education.~~

29 ~~—(3)—“Accounting system” means the uniform accounting and reporting~~
30 ~~system developed by the state board as required by this act.~~

31 ~~—(c)—The state board shall develop and maintain a uniform accounting~~
32 ~~and reporting system for the receipts and expenditures of school districts.~~
33 ~~The accounting records maintained by each school district shall be co-~~
34 ~~ordinated with the uniform accounting system. Each school district shall~~
35 ~~record the receipts and expenditures of the district in accordance with a~~
36 ~~uniform classification of accounts or chart of accounts and reports as shall~~
37 ~~be prescribed by the state board. Each school district shall submit such~~
38 ~~reports and statements as may be required by the state board. The state~~
39 ~~board shall design, revise and direct the use of accounting records and~~
40 ~~fiscal procedures and prescribe uniform classifications for receipts and~~
41 ~~expenditures for all school districts. The accounting system shall be in~~
42 ~~accordance with generally accepted accounting principles pursuant to~~
43 ~~K.S.A. 75-1120a, and amendments thereto, and shall include both budg-~~

1 ~~etary and proprietary (real) accounts. The state board shall prescribe the~~
 2 ~~necessary forms to be used by school districts in connection with such~~
 3 ~~uniform accounting system.~~

4 ~~—(d) The accounting system developed by the state board shall be de-~~
 5 ~~veloped in such manner that allows school districts to record and report~~
 6 ~~any information required by state or federal law. The accounting system~~
 7 ~~shall be developed in such manner that it shows expenditures for each~~
 8 ~~attendance center in a school district.~~

9 ~~—(e) The accounting system shall provide records showing at all times~~
 10 ~~by funds, accounts and other pertinent classifications, the amounts ap-~~
 11 ~~propriated, the estimated revenues, actual revenues or receipts, the~~
 12 ~~amounts available for expenditure, the total expenditures, the unliqui-~~
 13 ~~dated obligations, actual balances on hand and the unencumbered bal-~~
 14 ~~ances of allotments or appropriations for each school district.~~

15 ~~—(f) The accounting system shall allow a person to search and manip-~~
 16 ~~ulate the data and allow for the comparison of data by school district and~~
 17 ~~by attendance centers within a school district.~~

18 ~~—(g) From and after July 1, 2011, the board of education of each school~~
 19 ~~district shall record and report the receipts and expenditures of the district~~
 20 ~~in the manner prescribed by the state board pursuant to this section.~~

21 ~~—Sec. 2. K.S.A. 2008 Supp. 72-8254 is hereby repealed.~~

22 **Section 1. K.S.A. 2009 Supp. 72-7536 is hereby amended to**
 23 **read as follows: 72-7536. (a) The purpose of this section is to allow**
 24 **any person desiring to obtain, analyze and compare financial and**
 25 **performance data of school districts the ability to do so.**

26 **(b) On or before December 31, 2005, The state board of educa-**
 27 **tion shall design and implement a uniform system of reporting of**
 28 **such data by school districts. Such system shall be an internet-**
 29 **based data reporting system which is freely available and accessi-**
 30 **ble. Such system shall allow a person to search and manipulate the**
 31 **data and allow for the comparison of data on a district by district**
 32 **basis. Such system may be designed so that school districts may**
 33 **input directly the district's financial and performance data in lieu**
 34 **of reporting data to the state board.**

35 **(c) On or before December 31, 2011, the state board shall modify the**
 36 **system so that it includes detailed records of revenue and expenditure**
 37 **transactions of school districts that conform to the uniform chart of ac-**
 38 **counts prescribed by the state board under K.S.A. 2009 Supp. 72-8254,**
 39 **and amendments thereto. The state board shall require school districts to**
 40 **submit detailed revenue and expenditure records to the state board in an**
 41 **electronic format that is prescribed by the state board.**

42 **Sec. 2. K.S.A. 2009 Supp. 72-8253 is hereby amended to read**
 43 **as follows: 72-8253. (a) Each school district shall compile and re-**

1 **port expenditures of the district in providing programs required**
2 **by law and the number of pupils enrolled in such programs. Such**
3 **information shall be compiled and reported in the manner required by**
4 ~~the department reported in accordance with the uniform chart of ac-~~
5 ~~counts prescribed by the state board under K.S.A. 2009 Supp. 72-8254,~~
6 ~~and amendments thereto.~~

7 **(b) The department state board shall verify, on an on-going basis,**
8 **expenditures of school districts in providing programs required by**
9 **law and the number of pupils enrolled in such programs. Such**
10 **verification may be conducted on a sample-basis of school districts.**

11 **Sec. 3. K.S.A. 2009 Supp. 72-8254 is hereby amended to read**
12 **as follows: 72-8254. (a) The state board of education shall adopt a uni-**
13 **form chart of accounts for the reporting of receipts and expenditures of**
14 **school districts.**

15 **(b) In order to achieve uniform reporting of receipts and ex-**
16 **penditures by school districts in school district budgets, districts**
17 ~~shall report expenditures in the manner required and in reports submitted~~
18 ~~to the state board of education, districts shall report receipts and expend-~~
19 ~~itures of the district in accordance with the uniform chart of accounts~~
20 ~~adopted by the state board.~~

21 ~~(c) If the state board determines that a school district has failed to~~
22 ~~report the receipts and expenditures of the school district in accordance~~
23 ~~with the uniform chart of accounts as required by this section, the state~~
24 ~~board shall calculate the total amount of receipts or expenditures that~~
25 ~~were incorrectly reported. The state board shall deduct an amount equal~~
26 ~~to 10% of such total from the general state aid payable to the district~~
27 ~~during the next school year [or \$10,000, whichever is less].~~

28 **Sec. 4. K.S.A. 75-1124 is hereby amended to read as follows:**
29 **75-1124. (a) A copy of each audit report with recommendations, if**
30 **any, rendered by any licensed municipal public accountant or cer-**
31 **tified public accountant upon the completion of any audits pro-**
32 **vided for by K.S.A. 10-1208, 12-866, 13-1243, 13-14d12 or 75-1122,**
33 **and any amendments to such statutes, shall be filed with the di-**
34 **rector of accounts and reports within one year after the end of the**
35 **audit period of the audit unless an extension of time is granted by**
36 **the director of accounts and reports. Final payment to any ac-**
37 **countant performing a municipal audit shall not be made until a**
38 **copy of such report has been so filed as shown by a statement of**
39 **the director of accounts and reports.**

40 **(b) The audit report prepared for a school district shall include a**
41 **statement of assurance that the school district has reported the receipts**
42 **and expenditures of the district in accordance with the uniform chart of**
43 **accounts prescribed by the state board under K.S.A. 2009 Supp. 72-8254,**

1 *and amendments thereto. A copy of such audit report also shall be filed*
2 *with the state board of education.*

3 **[New Sec. 5. The legislature shall appropriate sufficient funds**
4 **to pay the costs incurred by the state board of education and school**
5 **districts which are attributable to the implementation of, and com-**
6 **pliance with, the provisions of this act.]**

7 **Sec. ~~5~~ [6]. K.S.A. 75-1124 and K.S.A. 2009 Supp. 72-7536, 72-**
8 **8253 and 72-8254 are hereby repealed.**

9 **Sec. ~~3-6~~ [7].** This act shall take effect and be in force from and after
10 its publication in the statute book.