

SESSION OF 2011

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2360

As Amended by House Education Budget
Committee

Brief*

HB 2360 would establish a uniform reporting system for receipts and expenditures for school districts. The bill would require that the State Board of Education develop and maintain the system. The system would include budgetary and proprietary accounts; allow districts to record any information required by state or federal law; provide records by fund, accounts, and other pertinent classifications; the amount appropriated; revenue estimates, actual revenues or receipts; amounts available for expenditure, total expenditures, unliquidated obligations, actual balances; and unencumbered balances of allotments or appropriations for each school district. In addition, the system must allow for data to be searched and compared on a district by district basis. The state board also is required to revise the system, direct school districts on the use of records and fiscal procedures, prescribe uniform classification for receipts and expenditures, and prescribe the forms to be used by school districts.

School districts would be required to coordinate and record their receipts and expenditures in accordance with the uniform reporting system and submit reports and statements annually to the state board on receipts and expenditures of the activity fund accounts and construction fund accounts. The bill does not require school districts to record and report the receipts and expenditures as prescribed by the state board until July 1, 2012.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

Background

HB 2360 was introduced by the House Committee on Appropriations. According to the fiscal note, an additional \$111,011, all from the State General Fund, would be necessary for the first year of the new reporting system. The estimate includes funding for 1.0 FTE Accountant III and .50 FTE Application Development Programmer II. In addition, the agency anticipates additional costs associated with a back system and hardware upgrades, as well as other minor expenses.

The House Education Budget Committee amended the bill to remove language which would have required the reporting system to follow generally accepted accounting principles as well as language which would have required the system to provide the balances of accounts at all times. The Budget Committee added language that each school district would submit a report to the State Board of Education on an annual basis with regard to receipts and expenditures of activity funds and construction fund accounts.

Proponents of the bill were Representative Lana Gordon; Steve Anderson, Director of the Budget; Dave Trabert, Kansas Policy Institute; and Dan Murray, State Director for National Federation for Independent Business. Opponents of the bill were Dr. Rob Balsters, USD No. 345 – Seaman; Dr. Gary George, USD No. 233 - Olathe; Diane Gjerstad, Wichita Public Schools; and Robert VanCrum, Blue Valley School District. Those testifying as neutral were Scott Frank, Legislative Post Audit and Jim Edwards, Kansas Association of School Boards.