

COMMITTEE ON EDUCATION  
SENATE AMENDMENTS TO S.B. 1320  
(Reference to printed bill)

1 Page 1, between lines 1 and 2, insert:

2 "Section 1. Section 15-904, Arizona Revised Statutes, is amended to  
3 read:

4 15-904. School district annual financial report; publication;  
5 summary

6 A. The governing board of each school district shall publish an annual  
7 financial report for the prior fiscal year by November 15. The auditor  
8 general in conjunction with the department of education shall prescribe the  
9 format of the financial report to be used by school districts. The financial  
10 report shall contain budgeted and actual expenditures for the preceding  
11 fiscal year and shall be prepared and distributed by October 15 by the school  
12 district with a copy to the county school superintendent. A copy of the  
13 annual financial report shall be submitted electronically by the school  
14 district to the superintendent of public instruction by October 15. The  
15 annual financial report shall be approved by the county school superintendent  
16 in an electronic procedure as prescribed by the department of education. On  
17 or before October 15, the governing board shall submit the annual financial  
18 report for the previous fiscal year to the department of education, which  
19 shall prominently display this information about that school district on the  
20 website maintained by the department. If the school district maintains a  
21 website, the school district shall post a link to the website of the  
22 department of education where this information about the school district is  
23 posted. **THE DEPARTMENT OF EDUCATION SHALL REVIEW THE SUBMITTED ANNUAL  
24 FINANCIAL REPORTS. IF THE DEPARTMENT DETERMINES THAT A SCHOOL DISTRICT HAS  
25 EXCEEDED THE DISTRICT'S BUDGET LIMIT OR RECEIVED EXCESS STATE AID FOR THE  
26 PREVIOUS FISCAL YEAR, THE DEPARTMENT SHALL NOTIFY THE DISTRICT THAT IT MUST  
27 CORRECT THE ERROR IN ACCORDANCE WITH SECTION 15-915.** School districts that  
28 are subject to section 15-914.01 are not required to send a copy to the  
29 county school superintendent.

1           B. In addition to the information required in subsection A of this  
2 section, the annual financial report shall contain detailed information on  
3 the school district budgeted and actual expenditures from the bond building  
4 fund, the soft capital allocation fund, the deficiencies correction fund, the  
5 building renewal fund and the new school facilities fund, including but not  
6 limited to information on classified salaries, employee benefits, interest  
7 and fiscal charges, capital lease agreements, land and improvements,  
8 buildings and improvements, furniture and equipment, technology and vehicles  
9 and transportation equipment for pupils. The information shall specify  
10 whether the expenditures are for school district renovation or for new  
11 construction, the cost per square foot and land acquisition costs, as  
12 appropriate.

13           C. Except as provided in subsection D of this section, the governing  
14 board shall publish, by November 15, the annual financial report for the  
15 school district either in a newspaper of general circulation within the  
16 school district, by electronic transmission of the information to the  
17 department of education for posting on the department's website or in the  
18 official newspaper of the county as ~~defined~~ PRESCRIBED in section 11-255, or  
19 the governing board may mail the annual financial report for the school  
20 district to each household in the school district. If the governing board  
21 chooses to transmit the report electronically to the department of education,  
22 the school district shall provide a link on the school district's website to  
23 the report on the department's website. If the governing board chooses to  
24 publish the report in a newspaper, the size of the newspaper print shall be  
25 at least eight-point type. The cost of publication or mailing shall be a  
26 charge against the school district. The publisher's affidavit of publication  
27 shall be filed by the governing board of the school district with the  
28 superintendent of public instruction within thirty days after publication.

29           D. The governing board may publish or mail a summary of the annual  
30 financial report in the same manner as provided in subsection C of this  
31 section. The auditor general in conjunction with the department of education  
32 shall prescribe the form of the summary of the annual financial report for  
33 use by the governing boards.

34           E. The superintendent of public instruction shall compile the  
35 financial reports of the school districts, including expenditure data for  
36 federal and state projects, and shall report to the governor and the  
37 legislature on or before January 15 of each year as provided in section  
38 15-255."

- 1 Renumber to conform
- 2 Page 1, line 11, strike "~~in the current year or in the budget year,~~" insert "in the  
3 current year or in the budget year,"
- 4 Strike lines 12 and 13, insert "except that in case of hardship to the school  
5 district, the superintendent may approve corrections partly in one year and  
6 partly in the year after that"
- 7 Line 14, strike "~~year~~" insert "year. IN CASE OF HARDSHIP TO THE SCHOOL  
8 DISTRICT, IF THE REQUIRED CORRECTION WILL BE GREATER THAN SEVEN PER CENT OF  
9 THE SCHOOL DISTRICT'S BUDGET LIMIT IN EACH OF THE TWO BUDGET YEARS, THE  
10 SUPERINTENDENT MAY AUTHORIZE, SUBJECT TO APPROVAL BY THE STATE BOARD OF  
11 EDUCATION, THE CORRECTION TO TAKE PLACE IN EQUAL INSTALLMENTS OVER A PERIOD  
12 OF YEARS. THE CORRECTION SHALL BE COMPLETED"; strike "TEN" insert "SEVEN";  
13 after the period insert "THE DEPARTMENT SHALL NOTIFY THE JOINT LEGISLATIVE  
14 BUDGET COMMITTEE IN WRITING EACH TIME THE SUPERINTENDENT AUTHORIZES, SUBJECT  
15 TO APPROVAL BY THE STATE BOARD OF EDUCATION, A BUDGET CORRECTION THAT EXCEEDS  
16 TWO BUDGET YEARS IN CASE OF HARDSHIP TO THE SCHOOL DISTRICT."
- 17 Amend title to conform

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