

ENROLLED HOUSE  
BILL NO. 1214

By: Fields of the House

and

Wilkerson of the Senate

An Act relating to school funds; amending 62 O.S. 1991, Section 310.9, as amended by Section 2, Chapter 318, O.S.L. 1993 (62 O.S. Supp. 1994, Section 310.9), which relates to sworn statement requirements for certain invoices; modifying requirements for school districts; amending 70 O.S. 1991, Section 5-129, as amended by Section 1, Chapter 45, O.S.L. 1993 (70 O.S. Supp. 1994, Section 5-129), which relates to school activity funds; exempting invoices paid from certain activity funds under a certain amount from certain sworn statement requirements; amending 74 O.S. 1991, Section 3109, which relates to the affidavit form for certain invoices; modifying requirements for school districts; providing an effective date; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 62 O.S. 1991, Section 310.9, as amended by Section 2, Chapter 318, O.S.L. 1993 (62 O.S. Supp. 1994, Section 310.9), is amended to read as follows:

Section 310.9 A. Except as provided in ~~subsection~~ subsections B and C of this section, on every invoice submitted to any county or political subdivision of the state, for payment of an architect, contractor, engineer or supplier of materials of One Thousand Dollars (\$1,000.00) or more, the sworn statement required by Section 3109 of Title 74 of the Oklahoma Statutes shall be required.

B. Any county, municipality or school district executing a contract with any architect, contractor, supplier or engineer for work, services or materials which are needed on a continual basis from such architect, contractor, supplier or engineer under the terms of such contract, or executing more than one contract during the fiscal year with such architect, contractor, supplier or engineer may require that the architect, contractor, supplier or engineer complete a signed and notarized affidavit in substantial form as provided by subsection A of this section which shall apply to all work, services or materials completed or supplied under the terms of the contract or contracts and shall be in lieu of all individual affidavits for each invoice submitted in relation to such contract or contracts as required in subsection A of this section.

C. The sworn statement required by Section 3109 of Title 74 of the Oklahoma Statutes shall be required on every invoice submitted to a school district in the state, for payment of an architect, contractor, engineer or supplier of materials of Two Thousand Dollars (\$2,000.00) or more.

SECTION 2. AMENDATORY 70 O.S. 1991, Section 5-129, as amended by Section 1, Chapter 45, O.S.L. 1993 (70 O.S. Supp. 1994, Section 5-129), is amended to read as follows:

Section 5-129. A. The board of education of each school district shall exercise control over all funds on hand or hereafter received or collected, as herein provided, from student or other extracurricular activities conducted in the school district. Such funds shall be deposited to the credit of the account maintained for the benefit of the particular activity within the school activity fund. Deposits of funds subject to the requirements of this section shall be made daily; however, if the deposit for a day totals less than One Hundred Dollars (\$100.00), a school district may accumulate monies required to be deposited into the fund on a daily basis until the total accumulated balance of deposits equals or exceeds One Hundred Dollars (\$100.00). Provided, a school district shall deposit accumulated monies into the fund not less than one (1) time per week, regardless of whether the monies total One Hundred Dollars (\$100.00). Disbursements from each of the activity accounts shall be by check countersigned by the school activity fund custodian and shall not be used for any purpose other than that for which the account was originally created. The board of education, at the beginning of each fiscal year and as needed during each fiscal year, shall approve all school activity fund subaccounts, all subaccount fund raising activities and all purposes for which the monies collected in each subaccount can be expended. Provided, the board of education may direct by written resolution that any balance in excess of the amount needed to fulfill the function or purpose for which an account was established may be transferred to another account by the custodian.

B. The board of education of each school district may designate that any of the following revenue be deposited for the use of specific school activity accounts, or to a general activity fund within the school activity fund:

1. Admissions to athletic contests, school or class plays, carnivals, parties, dances and promenades;
2. Sale of student activity tickets;
3. Concession sales, and cafeteria or luncheon collections;
4. Dues, fees and donations to student clubs or other organizations, provided that membership in such clubs or organizations shall not be mandatory;
5. Income or revenue resulting from the operation of student organizations or club projects, provided, such revenue is not derived from the sale of property, supplies, products or other assets belonging to the school district. When approved by the board of education, student organizations or club projects may include fund raising activities, the revenues from which may be used for the purpose of purchasing goods or services otherwise considered to be general fund expenditures;
6. Deposits for or collections for the purchase of class pictures, rings, pins, announcements, calling cards, annuals, banquets, student insurance and other such personal items; provided the cost of such items shall not be charged against other school funds; and
7. Other income collected for use by school personnel and other school related adult functions.

All other income, revenue, deposits or collections of any nature, including, but not limited to, Indian education support funds, laboratory fees, fees for the use of equipment owned or rented by the school district, deposits or assessments for breakage or supplies used in instructional courses, sale, exchange, lease, or

rent of property, supplies or products originally acquired from funds belonging to the school district or through the management, use or production of property belonging to the school district, shall be deposited in accordance with the provisions of Section 335 of Title 62 of the Oklahoma Statutes.

C. The board of education of such district may establish petty cash accounts to be used only for the purpose of making small cash expenditures, such as postage, freight or express charges; provided, no single expenditure from a petty cash account shall be made in excess of Seventy-five Dollars (\$75.00), and the total expenditures during any one (1) fiscal year shall not exceed Two Thousand Five Hundred Dollars (\$2,500.00) per school building. The school activity fund custodian shall initiate petty cash accounts by filing a claim against the general fund of the school district for the authorized amount of each petty cash account which shall not exceed Two Hundred Dollars (\$200.00) per school building. The general fund warrants issued in payment of said claim shall be deposited in a "Petty Cash Account" in the school activity fund.

All disbursements from the petty cash accounts shall be made in the same manner as other disbursements from the school activity fund, except no disbursement shall be made from a petty cash account unless a prenumbered, dated receipt be obtained and signed by the person receiving payment. A school board may designate a petty cash custodian to countersign petty cash checks in place of the activity fund custodian. The school activity fund custodian shall file claims against the general fund of the school district for reimbursement of a petty cash account whenever the need shall arise. Such claims shall be itemized in the same manner as other claims filed against the general fund and shall have attached thereto the receipts covering each of the expenditures claimed for reimbursement. The total of a petty cash account balance and the receipts on hand awaiting reimbursement should equal at all times the authorized amount of a petty cash account.

None of the provisions pertaining to a petty cash account shall be construed to authorize the use of one (1) fiscal year's fund to pay obligations of another fiscal year. Any remaining balance in each petty cash account shall be transferred to the general fund on or before June 30 of each year.

D. The State Board of Education shall adopt appropriate rules and regulations and design standard forms for the proper conduct of the various school activity accounts.

E. The school activity fund custodian and the petty cash custodian shall be appointed by the board of education of the school district. The school activity fund custodian and the petty cash custodian shall give a surety bond in an amount determined by the board of education, but not less than One Thousand Dollars (\$1,000.00). The premium of the surety bond shall be paid from the school activity fund.

F. The local board of education is hereby authorized to invest activity funds as it determines appropriate. Upon direction of the local board of education, the custodian of the activity fund shall invest activity funds in:

1. Direct obligations of the United States Government to the payment of which the full faith and credit of the Government of the United States or of the State of Oklahoma is pledged;

2. Certificates of deposits of banks when such certificates of deposits are secured by acceptable collateral as in the deposit of other public monies;

3. In savings accounts or savings certificates of savings and loan associations to the extent that such accounts or certificates

are fully insured by the Federal Savings and Loan Insurance Corporation. Provided, that the income received from said investments may be placed in the general fund of the governmental subdivision to be used for general governmental operations; or

4. Interest-bearing checking accounts.

G. The board of education of a school district may establish, by board resolution, a general fund refund subaccount within the school activity fund. The balance in the subaccount shall be determined by need, and it shall be funded by refunds and reimbursements received, including but not limited to, rental income, reimbursements for lost and damaged textbooks, summer school and adult tuition, overpayments and tax refunds, as well as transfers, by treasurer's check, from the school district general fund. The subaccount may be expended only for the refund of revenues previously received and deposited either into the subaccount or directly into the general fund. Any remaining balance in the refund subaccount shall be transferred to the school district general fund on or before June 30 of each year.

H. The board of education of a school district may authorize the custodian of the school activity funds to provide cash advances to the sponsors for travel expenses on behalf of school district students and sponsors of certain school activities. The cash advances may only come from the school activity fund subaccount directly involved in the travel of such students or sponsor and only if the travel is one of the stated functions or purposes for the establishment of the subaccount. Receipts for all expenditures of the cash advances shall be kept and turned in to the custodian of the school activity fund following said trip.

I. Any invoice submitted to a school district which is to be paid from a school activity fund and is for payment of an authorized expenditure of Two Thousand Dollars (\$2,000.00) or less, shall not be required to have on the invoice the sworn statement requirements set forth in Section 310.9 of Title 62 and Section 3109 of Title 74 of the Oklahoma Statutes.

SECTION 3. AMENDATORY 74 O.S. 1991, Section 3109, is amended to read as follows:

Section 3109. A. Except as provided in ~~subsection~~ subsections B and C of this section, on every invoice submitted to any county or local subdivision of the state, for payment to an architect, contractor, engineer or supplier of material of One Thousand Dollars (\$1,000.00) or more shall be the following signed and notarized statement:

STATE OF OKLAHOMA )  
 ) ss  
COUNTY OF )

The undersigned (architect, contractor, supplier or engineer), of lawful age, being first duly sworn, on oath says that this invoice or claim is true and correct. Affiant further states that the (work, services or materials) as shown by this invoice or claim have been (completed or supplied) in accordance with the plans, specifications, orders or requests furnished the affiant. Affiant further states that (s)he has made no payment directly or indirectly to any elected official, officer or employee of the State of Oklahoma, any county or local subdivision of the state, of money or any other thing of value to obtain payment of the invoice or procure the contract or purchase order pursuant to which an invoice is required.

\_\_\_\_\_  
(Contractor, supplier or engineer)

Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, 19\_\_.

\_\_\_\_\_  
Notary Public (or Clerk or Judge)

\_\_\_\_\_  
Architect

Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, 19\_\_.

\_\_\_\_\_  
Notary Public (or Clerk or Judge)

A notarized statement of noncollusion shall not be required on purchase orders to procure materials and equipment, provided this provision shall not exempt the requirement for a notarized statement of noncollusion on invoices for services or materials and equipment.

B. Any municipality or school district executing a contract with any architect, contractor, supplier or engineer for work, services or materials which are needed on a continual basis from such architect, contractor, supplier or engineer under the terms of such contract, may require that the architect, contractor, supplier or engineer complete a signed and notarized affidavit in substantial form as provided by subsection A of this section which shall apply to all work, services or materials completed or supplied under the terms of the contract and shall be in lieu of all individual affidavits for each invoice submitted in relation to such contract as required in subsection A of this section.

C. The sworn statement required in subsection A of this section shall be on every invoice submitted to a school district in the state, for payment to an architect, contractor, engineer or supplier of material of Two Thousand Dollars (\$2,000.00) or more.

SECTION 4. This act shall become effective July 1, 1995.

SECTION 5. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the House of Representatives the 16th day of May, 1995.

Speaker of the House of  
Representatives

Passed the Senate the 16th day of May, 1995.

President of the Senate