

STATE OF OKLAHOMA

2nd Session of the 50th Legislature (2006)

SENATE BILL 1838

By: Jolley

AS INTRODUCED

An Act relating to schools; amending 70 O.S. 2001, Section 5-135.2, as amended by Section 11, Chapter 472, O.S.L. 2005 (70 O.S. Supp. 2005, Section 5-135.2), which relates to reporting financial transactions; deleting obsolete language; requiring districts to report income and expenditures by school; specifying sources of income for certain reporting requirement; requiring State Board of Education to adopt certain rules; amending 70 O.S. 2001, Section 1210.531, as last amended by Section 5, Chapter 453, O.S.L. 2002 (70 O.S. Supp. 2005, Section 1210.531), which relates to Oklahoma Educational Indicators Program; requiring reporting of school finances to utilize certain accounting principles and reflect all sources of income received by districts; and providing an effective date.

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

SECTION 1. AMENDATORY 70 O.S. 2001, Section 5-135.2, as amended by Section 11, Chapter 472, O.S.L. 2005 (70 O.S. Supp. 2005, Section 5-135.2), is amended to read as follows:

Section 5-135.2 A. ~~For the 1991-92 school year, school districts shall report financial transactions for all funds, except for the school activity fund, using the Oklahoma Cost Accounting System, as adopted by the State Board of Education pursuant to Section 5-135 of this title. Costs shall be reported by curricular subject area where applicable. For the 1992-93 school year and in each subsequent school year, school~~ School districts shall report financial transactions for all funds using the Oklahoma Cost Accounting System. Costs shall be reported by curricular subject area where applicable.

B. ~~Beginning July 1, 1991, and in each subsequent school year,~~
~~the~~ The State Department of Education shall reduce the monthly payment of a district's State Aid funds if, at the time of such payment, the district is not operating pursuant to the Oklahoma Cost Accounting System. The amount of the reduction shall be one percent (1%) for the first payment, two percent (2%) for the second payment, three percent (3%) for the third payment, four percent (4%) for the fourth payment, and five percent (5%) for each subsequent payment. The reduction may be waived by the State Board of Education if the district can demonstrate that failure to operate pursuant to such system was due to circumstances beyond the control of the district and that every effort is being made by the district to operate pursuant to such system as quickly as possible.

C. No later than September 1 each year, every district board of education shall prepare a statement of actual income and expenditures of the district and for each school for the fiscal year that ended on the preceding June 30. Income shall reflect all sources of income received by the district, to include but not be limited to all federal, state, and local sources, as well as revenue received from fundraising efforts approved by the district board, private vending contracts, and bond issues. The State Board shall adopt rules to require districts to utilize generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). The statement of expenditures shall include functional categories as defined in rules adopted by the State Board of Education to implement the Oklahoma Cost Accounting System pursuant to Section 5-135 of this title.

D. No later than September 1 each year, every school district shall transmit a copy of the income and expenditures data required pursuant to subsection C of this section to the State Department of Education. The Department shall post the income and expenditure

data on the Internet web site for the Department in a form that is accessible to the public.

SECTION 2. AMENDATORY 70 O.S. 2001, Section 1210.531, as last amended by Section 5, Chapter 453, O.S.L. 2002 (70 O.S. Supp. 2005, Section 1210.531), is amended to read as follows:

Section 1210.531 A. The Education Oversight Board shall establish an Oklahoma Educational Indicators Program. The purpose of the Program shall be to develop and implement a system of measures whereby the performance of public schools and school districts is assessed and reported without undue reliance upon any single type of indicator, and whereby the public, including students and parents, may be made aware of the proper meaning and use of any tests administered under the Oklahoma School Testing Program Act, relative accomplishments of the public schools, and of progress being achieved. The Board shall involve representatives of various organizations of school teachers and of school administrators in the development of the Program. The Program shall be so designed that use of standardized definitions and measures and opportunities for coordination with national reports, including those of the National Assessment of Educational Progress, are maximized.

B. The Oklahoma Educational Indicators Program shall present information for comparisons of graduation rates, dropout rates, pupil-teacher ratios, student enrollment gain and loss rates, and test results in the contexts of socioeconomic status and the finances of school districts. Reporting on school district finances shall utilize generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB) and shall reflect all sources of income received by each district, to include but not be limited to all federal, state, and local sources, as well as revenue received from fundraising efforts approved by the district board, private vending contracts, and bond issues. Information shall be provided individually for all public

school sites and school districts in a format that facilitates comparisons. As necessary data become available, comparisons shall also be provided individually for all schools and school districts on a historical basis. Reports of all tests administered pursuant to the Oklahoma School Testing Program Act, Section 1210.505 et seq. of this title, shall be a part of the Oklahoma Educational Indicators Program and shall be provided for each grade and each test subject or set of competencies. Test results for students enrolled in Internet-based courses, including regularly enrolled and alternative education students, shall be disaggregated and reported. The Education Oversight Board shall seek to develop and incorporate additional indicators of comparative standing and accomplishment.

C. Additionally, the Education Oversight Board, with the cooperation of the State Department of Education, the Oklahoma State Regents for Higher Education, and the State Board of Career and Technology Education, shall develop procedures for obtaining and reporting data to the high schools and to the general public regarding the performance of each high school's graduates in Oklahoma's institutions of higher education and in postsecondary vocational-technical education. The Education Oversight Board shall include such data in the report of the Oklahoma Educational Indicators Program.

D. By February 1 of each year the Education Oversight Board shall publish:

1. A summary report to the people and Legislature of Oklahoma of the information provided by the Oklahoma Educational Indicators Program; and

2. State, district, and site level reports which shall include the percentage of students who perform at the various levels on the tests required by the Oklahoma State Testing Program.

Immediately following the publication of the reports required in this subsection each year, all data gathered pursuant to the

Oklahoma Educational Indicators Program shall be made available for public inspection at the offices of the Education Oversight Board or the Office of Accountability; provided, confidentiality of individual student records shall be preserved as required by law.

SECTION 3. This act shall become effective November 1, 2006.

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