

1 STATE OF OKLAHOMA

2 2nd Session of the 53rd Legislature (2012)

3 COMMITTEE SUBSTITUTE

4 FOR

HOUSE BILL NO. 3130

By: Nelson

7 COMMITTEE SUBSTITUTE

8 An Act relating to schools; amending 70 O.S. 2011,  
9 Section 5-135.2, which relates to the Oklahoma Cost  
10 Accounting System; deleting obsolete language;  
11 directing that the Oklahoma Cost Accounting System  
12 require certain reporting by school districts;  
13 requiring the State Department of Education to make  
14 certain code designations and descriptions public as  
15 provided for in certain law; amending 70 O.S. 2011,  
16 Section 5-135.4, which relates to the School District  
17 Transparency Act; modifying content of certain  
18 information; requiring the Department to make all  
19 Oklahoma Cost Accounting System code designations and  
20 descriptions available on its website; requiring  
21 information to be updated within certain time period;  
22 providing an effective date; and declaring an  
23 emergency.

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

20 SECTION 1. AMENDATORY 70 O.S. 2011, Section 5-135.2, is  
21 amended to read as follows:

22 Section 5-135.2 A. ~~For the 1991-92 school year, school~~  
23 ~~districts shall report financial transactions for all funds, except~~  
24 ~~for the school activity fund, using the Oklahoma Cost Accounting~~

1 ~~System, as adopted by the State Board of Education pursuant to~~  
2 ~~Section 5-135 of this title. Costs shall be reported by curricular~~  
3 ~~subject area where applicable. For the 1992-93 school year and in~~  
4 ~~each subsequent school year, school~~ School districts shall report  
5 financial transactions for all funds using the Oklahoma Cost  
6 Accounting System as adopted by the State Board of Education. Costs  
7 shall be reported by curricular subject area where applicable.

8 B. ~~Beginning July 1, 1991, and in each subsequent~~ Each school  
9 year, the State Department of Education shall reduce the monthly  
10 payment of a district's State Aid funds if, at the time of ~~such~~ the  
11 payment, the district is not operating pursuant to the Oklahoma Cost  
12 Accounting System. The amount of the reduction shall be one percent  
13 (1%) for the first payment, two percent (2%) for the second payment,  
14 three percent (3%) for the third payment, four percent (4%) for the  
15 fourth payment, and five percent (5%) for each subsequent payment.  
16 The reduction may be waived by the State Board of Education if the  
17 district can demonstrate that failure to operate pursuant to ~~such~~  
18 the system was due to circumstances beyond the control of the  
19 district and that every effort is being made by the district to  
20 operate pursuant to ~~such~~ the system as quickly as possible.

21 C. No later than September 1 each year, every district board of  
22 education shall prepare a statement of actual income and  
23 expenditures of the district for the fiscal year that ended on the  
24 preceding June 30. The statement of expenditures shall include

1 functional categories as defined in rules adopted by the State Board  
2 of Education to implement the Oklahoma Cost Accounting System  
3 pursuant to Section 5-135 of this title.

4 D. No later than September 1 each year, every school district  
5 shall transmit a copy of the income and expenditures data required  
6 pursuant to subsection C of this section to the State Department of  
7 Education. The Department shall post the income and expenditure  
8 data on the Internet web site for the Department in a form that is  
9 accessible to the public.

10 E. The Oklahoma Cost Accounting System adopted by the State  
11 Board of Education shall require school district to report revenue  
12 and expenditures using program codes, revenue codes, expenditure  
13 function codes, subcodes and object codes, project codes and level  
14 of instruction codes. The State Department of Education shall make  
15 all Oklahoma Cost Accounting System code designations and  
16 description and all procedures for code usage available to the  
17 public as provided for in the School District Transparency Act.

18 SECTION 2. AMENDATORY 70 O.S. 2011, Section 5-135.4, is  
19 amended to read as follows:

20 Section 5-135.4 A. This section shall be known and may be  
21 cited as the "School District Transparency Act".

22 B. By January 30, 2011, the State Department of Education shall  
23 make school district expenditure data available on its website.  
24 Data shall be made available in an open-structured data format that

1 may be downloaded by the public and that allows the user to  
2 systematically sort, search, and access all data without any fee or  
3 charge for access.

4 C. The database shall provide information on school district  
5 expenditures of state, federal, and local funds, whether  
6 appropriated or nonappropriated, excluding payments of voluntary  
7 payroll deductions for employees to receiving parties. The database  
8 shall further provide information, including, but not limited to,  
9 the following:

10 1. Identification of the school district;

11 2. The Oklahoma Cost Accounting System (OCAS) program code,  
12 revenue code, expenditure function code, subcode, object code,  
13 project code and level-of-instruction code designation for all  
14 revenue and each expenditure;

15 3. The name and principal location of the entity or recipient  
16 of the funds, excluding release of information relating to an  
17 individual's place of residence and release of information  
18 prohibited by subsection D of Section 24A.7 of Title 51 of the  
19 Oklahoma Statutes or by federal law relating to privacy rights;

20 4. The amount of funds expended;

21 5. The type of transaction;

22 6. A descriptive purpose of the funding action or expenditure;

23 7. Copies of all credit card statements, identified by  
24 department responsible for each credit card;

1 8. The budgeted and audited actual expenditure figures for each  
2 fiscal year, ensuring each set of figures can be identified as  
3 budgeted or audited figures; and

4 9. The per-pupil spending figure, derived by dividing total  
5 expenditures by the total number of students enrolled for each  
6 school year.

7 D. The Department shall make the data available on its website  
8 within one hundred twenty (120) days of transmission of the  
9 expenditures to the Department by the school district.

10 E. School districts shall provide information requested by the  
11 Department to accomplish the purposes of this section.

12 F. If a school district maintains a website, the district shall  
13 provide the information required in subsection C of this section in  
14 the manner prescribed in subsection B of this section on the  
15 district website.

16 G. The Department shall make all Oklahoma Cost Accounting  
17 System program codes, revenue codes, expenditure function codes,  
18 subcodes and object codes, project codes and level-of-instruction  
19 codes designations and descriptions, as well as a description of the  
20 procedures for code usage available on its website. The information  
21 shall be updated within thirty (30) days of any change to or any  
22 addition or deletion of a code, subcode, or object code designation  
23 or description.

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1        H. Nothing in this section shall require the disclosure of  
2 information which is required to be kept confidential by state or  
3 federal law.

4        ~~H.~~ I. The disclosure of information required by this section  
5 shall create no liability whatsoever, civil or criminal, to the  
6 State of Oklahoma, the State Department of Education, school  
7 districts, or any employee thereof for disclosure of required  
8 information or for any error or omission in the disclosure.

9        SECTION 3. This act shall become effective July 1, 2012.

10       SECTION 4. It being immediately necessary for the preservation  
11 of the public peace, health and safety, an emergency is hereby  
12 declared to exist, by reason whereof this act shall take effect and  
13 be in full force from and after its passage and approval.

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15        53-2-9930            CJB            03/01/12

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