

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                                   STATE OF OKLAHOMA

3                                   2nd Session of the 53rd Legislature (2012)

4   COMMITTEE SUBSTITUTE  
5   FOR  
6   HOUSE BILL NO. 3130

                                  By: Nelson

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8                                   COMMITTEE SUBSTITUTE

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

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

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

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

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

1 C. No later than September 1 each year, every district board of  
2 education shall prepare a statement of actual income and  
3 expenditures of the district for the fiscal year that ended on the  
4 preceding June 30. The statement of expenditures shall include  
5 functional categories as defined in rules adopted by the State Board  
6 of Education to implement the Oklahoma Cost Accounting System  
7 pursuant to Section 5-135 of this title.

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

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

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

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

3 B. By January 30, 2011, the State Department of Education shall  
4 make school district expenditure data available on its website.  
5 Data shall be made available in an open-structured data format that  
6 may be downloaded by the public and that allows the user to  
7 systematically sort, search, and access all data without any fee or  
8 charge for access.

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

15 1. Identification of the school district;

16 2. The Oklahoma Cost Accounting System (OCAS) program code,  
17 revenue code, expenditure function code, subcode, object code,  
18 project code and level-of-instruction code designation for all  
19 revenue and each expenditure;

20 3. The name and principal location of the entity or recipient  
21 of the funds, excluding release of information relating to an  
22 individual's place of residence and release of information  
23  
24

1 prohibited by subsection D of Section 24A.7 of Title 51 of the  
2 Oklahoma Statutes or by federal law relating to privacy rights;

3 4. The amount of funds expended;

4 5. The type of transaction;

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

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

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

11 9. The per-pupil spending figure, derived by dividing total  
12 expenditures by the total number of students enrolled for each  
13 school year.

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

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

19 F. If a school district maintains a website, the district shall  
20 provide the information required in subsection C of this section in  
21 the manner prescribed in subsection B of this section on the  
22 district website.

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1       G. The Department shall make all Oklahoma Cost Accounting  
2 System program codes, revenue codes, expenditure function codes,  
3 subcodes and object codes, project codes and level-of-instruction  
4 codes designations and descriptions, as well as a description of the  
5 procedures for code usage available on its website. The information  
6 shall be updated within thirty (30) days of any change to or any  
7 addition or deletion of a code, subcode, or object code designation  
8 or description.

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

12       ~~H.~~ I. The disclosure of information required by this section  
13 shall create no liability whatsoever, civil or criminal, to the  
14 State of Oklahoma, the State Department of Education, school  
15 districts, or any employee thereof for disclosure of required  
16 information or for any error or omission in the disclosure.

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

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

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23 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated  
24 03/01/2012 - DO PASS, As Amended.