

STATE OF OKLAHOMA

2nd Session of the 53rd Legislature (2012)

SUBCOMMITTEE RECOMMENDATION

FOR

HOUSE BILL NO. 3130

By: Nelson

SUBCOMMITTEE RECOMMENDATION

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

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 as adopted by the State Board of Education. Costs
shall be reported by curricular subject area where applicable.

B. ~~Beginning July 1, 1991, and in each subsequent~~ Each school
year, the State Department of Education shall reduce the monthly
payment of a district's State Aid funds if, at the time of ~~such~~ the
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~~
the 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~~ the 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 for the fiscal year that ended on the
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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