

SENATE BILL No. 159

By Committee on Education

2-3

1 AN ACT concerning school districts; relating to school district budgeting
2 and accounting; requiring school district budget forms and summaries
3 to include all expenditures of bond proceeds; amending K.S.A. 79-2926
4 and K.S.A. 2024 Supp. 72-1167 and repealing the existing sections.
5

6 *Be it enacted by the Legislature of the State of Kansas:*

7 Section 1. K.S.A. 2024 Supp. 72-1167 is hereby amended to read as
8 follows: 72-1167. (a) This section shall be known and may be cited as the
9 Kansas uniform financial accounting and reporting act.

10 (b) As used in this section:

11 (1) "Budget summary" means a one-page summary of the official
12 budget adopted by the board of education of the school district, and shall
13 include, but is not limited to, graphs depicting the total expenditures in the
14 budget by category, supplemental and general fund expenditures,
15 instruction expenditures, *expenditures of bond proceeds*, enrollment
16 figures, mill rates by fund and average salaries. For purposes of this
17 section, a one-page budget at a glance format developed by the state board,
18 and any successor format shall be deemed a budget summary, provided it
19 complies with the requirements of this section.

20 (2) "Reporting system" means the uniform reporting system,
21 including a uniform chart of accounts, developed by the state board as
22 required by this section.

23 (3) "School district" means a unified school district organized and
24 operated under the laws of this state.

25 (4) "State board" means the state board of education.

26 (c) The state board shall develop and maintain a uniform reporting
27 system for the receipts and expenditures of school districts. The
28 accounting records maintained by each school district shall be coordinated
29 with the uniform reporting system. Each school district shall record the
30 receipts and expenditures of the district in accordance with a uniform
31 classification of accounts or chart of accounts and reports as shall be
32 prescribed by the state board. Each school district shall submit such
33 reports and statements as may be required by the state board. The state
34 board shall design, revise and direct the use of accounting records and
35 fiscal procedures and prescribe uniform classifications for receipts and
36 expenditures for all school districts. The reporting system shall include all

1 funds held by a school district regardless of the source of the moneys held
2 in such funds, including, but not limited to, all funds funded by fees or
3 other sources of revenue not derived from tax levies. The state board shall
4 prescribe the necessary forms to be used by school districts in connection
5 with such uniform reporting system.

6 (d) The reporting system developed by the state board shall be
7 developed in such a manner that allows school districts to record and
8 report any information required by state or federal law.

9 (e) The reporting system shall provide records showing by funds,
10 accounts and other pertinent classifications, the amounts appropriated, the
11 estimated revenues, actual revenues or receipts, the amounts available for
12 expenditure, the total and itemized expenditures, the unencumbered cash
13 balances, excluding state aid receivable, actual balances on hand and the
14 unencumbered balances of allotments or appropriations for each school
15 district.

16 (f) The reporting system shall allow a person to search the data and
17 allow for the comparison of data by school district.

18 (g) Each school district shall annually submit a report to the state
19 board on all construction activity undertaken by the school district ~~which~~
20 *that* was financed by the issuance of bonds and which such bonds have not
21 matured. Such report shall include all revenue receipts, all expenditures of
22 bond proceeds authorized by law, the dates for commencement and
23 completion of such construction activity, the estimated cost and the actual
24 cost of such construction activity. The information provided in the report
25 shall be in a form so as to readily identify such information with a specific
26 construction project. Such report shall be submitted in a form and manner
27 prescribed by the state board in accordance with the provisions of this
28 section.

29 ~~(h) From and after July 1, 2012,~~ The board of education of each
30 school district shall record and report the receipts and expenditures of the
31 district in the manner prescribed by the state board in accordance with this
32 section.

33 (i) (1) Each school district shall annually publish on such district's
34 internet website:

35 (A) A copy of form 150, estimated legal maximum general fund
36 budget, or any successor document containing the same or similar
37 information, that was submitted by such district to the state board of
38 education for the immediately preceding school year; and

39 (B) the budget summary for the current school year and actual
40 expenditures for the immediately preceding two school years showing total
41 dollars net of transfers and dollars per ~~pupil~~ *student* for each of the
42 following:

43 (i) Function 1000, instruction;

- 1 (ii) function 2100, student support;
2 (iii) function 2200, instructional staff support;
3 (iv) functions 2300 through 2500, administration;
4 (v) function 2600, operation and maintenance;
5 (vi) function 2700, transportation;
6 (vii) function 3100, food service;
7 (viii) functions 2900, 3200 and 3300, other current spending;
8 (ix) function 4000, capital outlay;
9 (x) function 5100, debt service;
10 (xi) the total expenditures which is the sum of the amounts in clauses
11 (i) through (x);
12 (xii) the spending allocated to function 1000, instruction, excluding
13 capital outlay and debt service expenditures, as a percentage of total
14 expenditures;
15 (xiii) the spending allocated to function 1000, instruction, excluding
16 capital outlay and debt service expenditures, as a percentage of current
17 spending, which is the sum of expenditures for functions 1000 through
18 3300 less capital outlay and debt service expenditures included in any of
19 those functions; and
20 (xiv) the revenue in total dollars net of transfers both in total and
21 disaggregated to show the amount of revenue received from local, state
22 and federal revenue sources.
- 23 (2) For purposes of subsection (i)(1)(B), all per-pupil *student* amounts
24 shall be calculated using the full-time equivalent enrollment of the school
25 district. All function categories and other accounting categories shall refer
26 to those same categories as established and required for financial
27 accounting purposes by the state board as published in the Kansas state
28 department of education's ~~Kansas~~ accounting handbook for unified school
29 districts, ~~as published in August 2012, or later versions as established in~~
30 ~~rules and regulations adopted by the state board.~~
- 31 (3) Publications required by this subsection shall be made available to
32 the public at every meeting held by the board of education of each school
33 district when the board is discussing the district's budget or any other
34 school finance matter.
- 35 (j) The department of education shall annually publish on its internet
36 website:
- 37 (1) All of the publications required under subsection (i); and
38 (2) the following expenditures for each school district on a per-pupil
39 *student* basis:
- 40 (A) Total expenditures;
41 (B) capital outlay expenditures;
42 (C) bond and interest expenditures; and
43 (D) all other expenditures not included in subparagraph (B) or (C).

1 (k) All reports prepared pursuant to this section shall be published in
2 accordance with K.S.A. 2024 Supp. 72-1181, and amendments thereto.

3 Sec. 2. K.S.A. 79-2926 is hereby amended to read as follows: 79-
4 2926. (a) Subject to the provisions of subsection (b), the director of
5 accounts and reports shall prepare and prescribe forms for the annual
6 budgets of all taxing subdivisions or municipalities of the state. Such
7 forms shall show the information required by this act *that is* necessary and
8 proper to disclose complete information as to the financial condition of
9 such taxing subdivision or municipality, and the receipts and expenditures
10 thereof, both past and anticipated.

11 (b) (1) ~~From and after July 1, 2004 and~~ Based upon recommendations
12 by the state department of education *and in accordance with all applicable*
13 *laws pertaining thereto*, the director shall prepare and prescribe forms for
14 the annual budget and a summary of the proposed budget of school
15 districts. The state department of education shall make such
16 recommendations after considering the best practices and standards
17 established by the government finance officers association and the
18 association of school business officials.

19 (2) (A) The school district budget form shall include a separate table
20 outlining the aggregate amount of expenditures for salaries and wages for
21 the following categories:

- 22 (i) Certified and noncertified administrators;
23 (ii) persons employed full-time as teachers;
24 (iii) other certified employees who are not employed full-time as
25 teachers;
26 (iv) classified employees;
27 (v) other positions designated by the state department of education;
28 and

29 (vi) substitutes and other temporary employees.

30 (B) The school district budget form shall show:

31 (i) The number of full-time employee positions specified in paragraph
32 (A) ~~of this subsection~~ and the average salaries or wages for such positions:

33 ~~(C) The school district budget form shall show;~~

34 (ii) *all revenues and expenditures of bond proceeds authorized by law*
35 *and the total amount of outstanding bonds and bonds issued or retired*
36 *during the year; and*

37 (iii) any other information recommended by the state department of
38 education.

39 (3) The summary of the proposed budget form shall include:

40 (A) An overview of the proposed budget of the school district and the
41 budgetary process;

42 (B) a summary of the changes in the proposed budget from the
43 previous budget year;

1 (C) a summary of the estimated expenditures to be made and
2 revenues to be received in the ensuing budget year and the sources of such
3 revenue;

4 (D) the internet website address for school building report cards
5 compiled by the state department of education; and

6 (E) any other information specified by the state department of
7 education.

8 (4) Nothing in this subsection ~~(b)~~ shall be construed as limiting the
9 authority of school districts to develop and provide material or information
10 in addition to that required by the state department of education.

11 (5) The state department of education shall provide technical advice
12 and assistance to school districts to ~~insure~~ ensure compliance with the
13 provisions of this section.

14 (c) All such budget and tax levy forms shall be printed by the division
15 of printing in such quantity as required by the director. The director shall
16 deliver the forms for school districts to the clerk of the board of education
17 of each school district. The forms for all other taxing subdivisions or
18 municipalities of the state shall be delivered by the director to the county
19 clerk of each county, who shall deliver the same to the presiding officer of
20 the governing body of the respective taxing subdivisions or municipalities
21 within the county.

22 (d) ~~Beginning in 2009, All such~~ forms required by this section; shall
23 be in an electronic format to facilitate filing such forms electronically.

24 Sec. 3. K.S.A. 79-2926 and K.S.A. 2024 Supp. 72-1167 are hereby
25 repealed.

26 Sec. 4. This act shall take effect and be in force from and after its
27 publication in the statute book.