

**As Amended by House Committee**

**As Amended by Senate Committee**

Session of 2015

**SENATE BILL No. 188**

By Committee on Assessment and Taxation

2-10

1 AN ACT concerning school districts; relating to the Kansas uniform  
2 financial accounting and reporting act; relating to publication  
3 requirements; amending K.S.A. 2014 Supp. 72-8254 and repealing the  
4 existing section.

5  
6 *Be it enacted by the Legislature of the State of Kansas:*

7 Section 1. K.S.A. 2014 Supp. 72-8254 is hereby amended to read as  
8 follows: 72-8254. (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 at a glance" means a multi-page document that includes*  
12 *the information provided in a budget summary and actual expenditure*  
13 *information as required by subsection (i).*

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

23 (3) *"Classroom teacher" means a pre-kindergarten teacher,*  
24 *kindergarten teacher, vocational education teacher or other teacher as*  
25 *specified on the certified personnel report submitted by a school district to*  
26 *the state board of education.*

27 ~~(2)~~ (4) *"Reporting system" means the uniform reporting system,*  
28 *including a uniform chart of accounts, developed by the state board as*  
29 *required by this section.*

30 ~~(3)~~ (5) *"School district" means a unified school district organized and*  
31 *operated under the laws of this state.*

32 ~~(4)~~ (6) *"State board" means the state board of education.*

33 (c) The state board shall develop and maintain a uniform reporting  
34 system for the receipts and expenditures of school districts. The

1 accounting records maintained by each school district shall be coordinated  
2 with the uniform reporting system. Each school district shall record the  
3 receipts and expenditures of the district in accordance with a uniform  
4 classification of accounts or chart of accounts and reports as shall be  
5 prescribed by the state board. Each school district shall submit such  
6 reports and statements as may be required by the state board. The state  
7 board shall design, revise and direct the use of accounting records and  
8 fiscal procedures and prescribe uniform classifications for receipts and  
9 expenditures for all school districts. The reporting system shall include all  
10 funds held by a school district regardless of the source of the moneys held  
11 in such funds, including, but not limited to, all funds funded by fees or  
12 other sources of revenue not derived from tax levies. The state board shall  
13 prescribe the necessary forms to be used by school districts in connection  
14 with such uniform reporting system.

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

18 (e) The reporting system shall provide records showing by funds,  
19 accounts and other pertinent classifications, the amounts appropriated, the  
20 estimated revenues, actual revenues or receipts, the amounts available for  
21 expenditure, the total and itemized expenditures, the unencumbered cash  
22 balances, excluding state aid receivable, actual balances on hand and the  
23 unencumbered balances of allotments or appropriations for each school  
24 district.

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

27 (g) Each school district shall annually submit a report to the state  
28 board on all construction activity undertaken by the school district which  
29 was financed by the issuance of bonds and which such bonds have not  
30 matured. Such report shall include all revenue receipts, all expenditures of  
31 bond proceeds authorized by law, the dates for commencement and  
32 completion of such construction activity, the estimated cost and the actual  
33 cost of such construction activity. The information provided in the report  
34 shall be in a form so as to readily identify such information with a specific  
35 construction project. Such report shall be submitted in a form and manner  
36 prescribed by the state board in accordance with the provisions of this  
37 section.

38 (h) From and after July 1, 2012, the board of education of each school  
39 district shall record and report the receipts and expenditures of the district  
40 in the manner prescribed by the state board in accordance with this section.

41 (i) (1) ***On or before November 1 of each school year***, each school  
42 district shall ~~annually~~ publish on such district's internet website:

43 (A) A copy of form 150, estimated legal maximum general fund

1 budget, or any successor document containing the same or similar  
2 information, that was submitted by such district to the state board of  
3 education for the immediately preceding school year; ~~and~~

4 (B) the budget summary for the current school year and *a budget at a*  
5 *glance document that includes the* actual expenditures for the immediately  
6 preceding two school years showing total dollars net of transfers and  
7 dollars per pupil *based on full-time equivalent enrollment* for each of the  
8 following:

- 9 (i) Function 1000, instruction;  
10 (ii) function 2100, student support;  
11 (iii) function 2200, instructional staff support;  
12 (iv) functions 2300 through 2500, administration;  
13 (v) function 2600, operation and maintenance;  
14 (vi) function 2700, transportation;  
15 (vii) function 3100, food service;  
16 (viii) functions 2900, 3200 and 3300, other current spending;  
17 (ix) function 4000, capital outlay;  
18 (x) function 5100, debt service;  
19 (xi) the total expenditures which is the sum of the amounts in clauses  
20 (i) through (x);  
21 (xii) the spending allocated to function 1000, instruction, excluding  
22 capital outlay and debt service expenditures, as a percentage of total  
23 expenditures;  
24 (xiii) the spending allocated to function 1000, instruction, excluding  
25 capital outlay and debt service expenditures, as a percentage of current  
26 spending, which is the sum of expenditures for functions 1000 through  
27 3300 less capital outlay and debt service expenditures included in any of  
28 those functions; and  
29 (xiv) the revenue in total dollars net of transfers both in total and  
30 disaggregated to show the amount of revenue received from local, state  
31 and federal revenue sources; *and*

32 (C) *a document titled, "Employee Compensation Information," that*  
33 *contains the following information:*

34 (i) **(a) For school districts with a total enrollment of 500 or more,**  
35 *the aggregate annual compensation for each of the 10 employees of the*  
36 *school district receiving the largest amount of aggregate annual*  
37 *compensation for the current school year and the title of each such*  
38 *employee;*

39 (b) *for school districts with a total enrollment of less than 500, the*  
40 *aggregate annual compensation for each of the three employees of the*  
41 *school district receiving the largest amount of aggregate annual*  
42 *compensation for the current school year and the title of each such*  
43 *employee;*

1        *(ii) the expenditures budgeted by the school district for the current*  
2 *school year for amounts to be paid to or on behalf of members of the*  
3 *school district board of education, including, but not limited to,*  
4 *association dues, travel and per diem expenses and reimbursements for*  
5 *any other expenses;*

6        ~~(ii)~~ *(iii) the lowest, highest and average aggregate annual*  
7 *compensation for a teacher employed for a full school year in the school*  
8 *district for the current school year;*

9        ~~(iii)~~ *(iv) the dollars per pupil for expenditures described in subsections*  
10 *(i)(1)(B)(i) and (i)(1)(B)(xi) for the school district, and the percentage*  
11 *described in subsection (i)(1)(B)(xii) for the school district; and*

12        ~~(iv)~~ *(v) the total full-time equivalent enrollment of the school district,*  
13 *the total number of classroom teachers certified by the school district to*  
14 *the state board of education on the certified personnel report and the ratio*  
15 *of the total full-time equivalent enrollment to total number of classroom*  
16 *teachers for the current school year.*

17        (2) For purposes of subsection (i)(1)(B), all per pupil amounts shall  
18 be calculated using the full-time equivalent enrollment of the school  
19 district. All function categories and other accounting categories shall refer  
20 to those same categories as established and required for financial  
21 accounting purposes by the state board as published in the Kansas state  
22 department of education's Kansas accounting handbook for unified school  
23 districts, as published in August 2012, or later versions as established in  
24 rules and regulations adopted by the state board.

25        (3) *For purposes of subsection (i)(1)(C), the aggregate annual*  
26 *compensation of an employee shall be determined by calculating the sum*  
27 *of the annual salary of the employee, any compensation paid pursuant to*  
28 *any supplemental contracts entered into between the employee and the*  
29 *school district, expense account amounts for items of personal use or*  
30 *benefit by the employee, the school district's employer retirement*  
31 *contributions paid on behalf of the employee, the school district's*  
32 *employer health insurance premiums paid on behalf of the employee, any*  
33 *other insurance premiums paid by the school district on behalf of the*  
34 *employee, association dues paid by the school district on behalf of the*  
35 *employee, the value of any vehicle provided to the employee by the school*  
36 *district, and any other compensation or remuneration provided by the*  
37 *school district to the employee.*

38        (4) (A) Publications required by this subsection shall be published  
39 ~~with an easily identifiable link located~~ on such district's website homepage  
40 *with a link that shall be no less prominent in size and typeface as the most*  
41 *prominent link located on such district's website homepage, and which*  
42 *shall be accessible directly without the use of any menu options. Such link*  
43 *shall be titled, "Budget Information." The webpage containing*

1 *publications required by this subsection shall only contain the following*  
2 *documents in the following order: (A) Budget at a glance; (B) budget*  
3 *summary for the current school year; (C) form 150, or its successor*  
4 *document, if any; and (D) employee compensation information.*

5 *(B) Beginning with budget information for school year 2012-2013,*  
6 *and for each school year thereafter, each district also shall publish the*  
7 *budget at a glance, budget summary, form 150, or its successor document,*  
8 *if any, and employee compensation information for prior school years.*  
9 *The budget at a glance, budget summary, form 150, or its successor*  
10 *document, if any, and employee compensation information for each school*  
11 *year shall be published by the district for 10 consecutive years from the*  
12 *date of first publication pursuant to this subsection. The budget at a*  
13 *glance, budget summary, form 150, or its successor document, if any, and*  
14 *employee compensation information for prior school years shall be*  
15 *published on a separate webpage via a link titled, "Archive Budget*  
16 *Information," which shall be located on the "Budget Information"*  
17 *webpage immediately following the budget at a glance, budget summary*  
18 *for the current school year, form 150, or its successor document, if any,*  
19 *and employee compensation information for the current school year.*

20 *(C) All other documents and information relating to the district's*  
21 *finances which the district decides to publish online shall be available on*  
22 *a separate webpage via a link titled, "Other Financial Information,"*  
23 *which shall be located on the "Budget Information" webpage immediately*  
24 *following the link titled, "Archive Budget Information."*

25 (4) Publications required by this subsection shall be made available to  
26 the public at every meeting held by the board of education of each school  
27 district when the board is discussing the district's budget or any other  
28 school finance matter.

29 (j) (1) The department of education shall annually publish on its  
30 internet website:

31 (A) All of the publications required under subsection (i); and

32 (B) the following expenditures for each school district on a per pupil  
33 basis:

34 (i) Total expenditures;

35 (ii) capital outlay expenditures;

36 (iii) bond and interest expenditures; and

37 (iv) all other expenditures not included in (ii) or (iii).

38 (2) Publications required by this subsection shall be published with  
39 an easily identifiable link located on the department's website homepage.

40 (k) *The department of education shall receive and investigate any*  
41 *written complaints received by the department alleging a school district is*  
42 *not in compliance with the provisions of this section. Upon completion of*  
43 *the investigation, the department shall report any findings and conclusions*

1 to the state board. If the department finds that a school district is not in  
2 compliance with the provisions of this section, the state board shall notify  
3 such school district in writing of the noncompliance. A school district that  
4 receives written notice of noncompliance shall have 30 days from the date  
5 of receipt of such notice to cure the noncompliance and submit evidence of  
6 the subsequent compliance to the state board. **Upon a showing of good  
7 cause by a school district, the state board may grant an extension  
8 period of an additional 30 days for such school district to cure the  
9 noncompliance and submit evidence of subsequent compliance.** If the  
10 state board does not receive evidence of subsequent compliance prior to  
11 the expiration of the 30-day period **or, if the state board granted an  
12 extension to a school district, prior to the expiration of such extension  
13 period,** then the state board shall impose a civil penalty of \$1,000 for each  
14 day the school district is not in compliance with this section. Each day the  
15 school district fails to provide evidence of compliance from and after the  
16 date the department determines that such school district is not in  
17 compliance with this section shall be counted as a day of noncompliance  
18 for purposes of calculating the civil penalty amount. Any civil penalties  
19 received by the state board shall be remitted to the state treasurer in  
20 accordance with the provisions of K.S.A. 75-4215, and amendments  
21 thereto. Upon receipt of each such remittance, the state treasurer shall  
22 deposit the entire amount in the state treasury to the credit of the state  
23 general fund. Upon curing any noncompliance, the school district shall  
24 immediately distribute written notice to the parents and legal guardians of  
25 all students enrolled in such school district describing the school district's  
26 noncompliance with this act and providing a copy of the website address  
27 where the compliant information can be viewed. Such notice shall not  
28 contain any other information that is not related to the compliance issue.

29 (l) On or before January 1, 2016, the state board shall adopt rules  
30 and regulations necessary to implement and enforce the provisions of this  
31 section.

32 Sec. 2. K.S.A. 2014 Supp. 72-8254 is hereby repealed.

33 Sec. 3. This act shall take effect and be in force from and after its  
34 publication in the statute book.