

HOUSE BILL No. 2288

By Committee on K-12 Education Budget

2-7

1 AN ACT concerning school districts; relating to the Kansas uniform
2 financial accounting and reporting act; requiring the use of generally
3 accepted accounting principles; amending K.S.A. 2016 Supp. 72-8254
4 and repealing the existing section.

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

7 Section 1. K.S.A. 2016 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 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, enrollment figures, mill rates by fund and
16 average salaries. For purposes of this section, a one-page budget at a
17 glance format developed by the state board, and any successor format shall
18 be deemed a budget summary, provided it complies with the requirements
19 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 accounting system shall be in*

1 *accordance with generally accepted accounting principles pursuant to*
2 *K.S.A. 75-1120a, and amendments thereto, and shall include both*
3 *budgetary and proprietary (real) accounts.* The reporting system shall
4 include all funds held by a school district regardless of the source of the
5 moneys held in such funds, including, but not limited to, all funds funded
6 by fees or other sources of revenue not derived from tax levies. The state
7 board shall prescribe the necessary forms to be used by school districts in
8 connection with such uniform reporting system.

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

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

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

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

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

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

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

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

- 1 (i) Function 1000, instruction;
- 2 (ii) function 2100, student support;
- 3 (iii) function 2200, instructional staff support;
- 4 (iv) functions 2300 through 2500, administration;
- 5 (v) function 2600, operation and maintenance;
- 6 (vi) function 2700, transportation;
- 7 (vii) function 3100, food service;
- 8 (viii) functions 2900, 3200 and 3300, other current spending;
- 9 (ix) function 4000, capital outlay;
- 10 (x) function 5100, debt service;
- 11 (xi) the total expenditures which is the sum of the amounts in clauses
- 12 (i) through (x);
- 13 (xii) the spending allocated to function 1000, instruction, excluding
- 14 capital outlay and debt service expenditures, as a percentage of total
- 15 expenditures;
- 16 (xiii) the spending allocated to function 1000, instruction, excluding
- 17 capital outlay and debt service expenditures, as a percentage of current
- 18 spending, which is the sum of expenditures for functions 1000 through
- 19 3300 less capital outlay and debt service expenditures included in any of
- 20 those functions; and
- 21 (xiv) the revenue in total dollars net of transfers both in total and
- 22 disaggregated to show the amount of revenue received from local, state
- 23 and federal revenue sources.
- 24 (2) For purposes of subsection (i)(1)(B), all per pupil amounts shall
- 25 be calculated using the full-time equivalent enrollment of the school
- 26 district. All function categories and other accounting categories shall refer
- 27 to those same categories as established and required for financial
- 28 accounting purposes by the state board as published in the Kansas state
- 29 department of education's Kansas accounting handbook for unified school
- 30 districts, as published in August 2012, or later versions as established in
- 31 rules and regulations adopted by the state board.
- 32 (3) Publications required by this subsection shall be published with
- 33 an easily identifiable link located on such district's website homepage.
- 34 (4) Publications required by this subsection shall be made available to
- 35 the public at every meeting held by the board of education of each school
- 36 district when the board is discussing the district's budget or any other
- 37 school finance matter.
- 38 (j) (1) The department of education shall annually publish on its
- 39 internet website:
- 40 (A) All of the publications required under subsection (i); and
- 41 (B) the following expenditures for each school district on a per pupil
- 42 basis:
- 43 (i) Total expenditures;

- 1 (ii) capital outlay expenditures;
- 2 (iii) bond and interest expenditures; and
- 3 (iv) all other expenditures not included in (ii) or (iii).
- 4 (2) Publications required by this subsection shall be published with
- 5 an easily identifiable link located on the department's website homepage.
- 6 Sec. 2. K.S.A. 2016 Supp. 72-8254 is hereby repealed.
- 7 Sec. 3. This act shall take effect and be in force from and after its
- 8 publication in the statute book.