
HOUSE BILL 2954

State of Washington 60th Legislature 2008 Regular Session

By Representatives Hunter, Priest, Jarrett, and Anderson

Read first time 01/18/08. Referred to Committee on Education.

1 AN ACT Relating to authorizing certain school districts and
2 educational service districts to designate a district treasurer;
3 amending RCW 28A.320.300, 28A.320.310, 28A.320.320, 28A.510.270,
4 28A.310.370, 28A.310.410, 28A.160.130, 28A.220.040, 28A.320.080,
5 28A.323.100, 28A.325.030, 28A.330.080, 28A.350.010, 28A.350.050,
6 28A.410.060, 28A.530.030, 28A.530.050, and 28A.535.060; adding a new
7 section to chapter 28A.320 RCW; and adding a new section to chapter
8 28A.310 RCW.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

10 NEW SECTION. **Sec. 1.** A new section is added to chapter 28A.320
11 RCW to read as follows:

12 (1) The board of directors of a school district under this section
13 may designate by resolution the district, an educational service
14 district agreeing to serve this function, or some other person having
15 experience in financial or fiscal matters to act as the district
16 treasurer, including another school district through an agreement under
17 chapter 39.34 RCW. A district treasurer designated under this section
18 shall have the powers, responsibilities, and duties of, and shall be
19 subject to the same restrictions as provided by law for, the county

1 treasurer and the county auditor with regard to school district
2 financial matters. A district treasurer shall be bonded in an amount
3 and under the terms and conditions that the board of directors finds
4 will protect the district against loss, but for not less than twenty-
5 five thousand dollars.

6 (2) A school district that acts as its own treasurer under this
7 section may by resolution adopt a policy for the payment of claims or
8 other obligations of the school district, which are payable out of
9 solvent funds, electing to pay such obligations by warrant or by check.
10 However, when the applicable fund is not solvent at the time payment is
11 ordered, a warrant shall be issued. When checks are to be used, the
12 school district shall designate the qualified public depository where
13 checks are to be drawn and the officers authorized or required to sign
14 checks. Wherever a reference is made to warrants in this title, the
15 term includes checks where authorized by this section.

16 (3) This section applies only to boards of directors of school
17 districts with an annual average full-time equivalent student
18 enrollment of ten thousand or more and located in a county with a
19 population of four hundred thousand or more.

20 **Sec. 2.** RCW 28A.320.300 and 1999 c 18 s 1 are each amended to read
21 as follows:

22 Any common school district board of directors is empowered to
23 direct and authorize, and to delegate authority to an employee,
24 officer, or agent of the common school district or the educational
25 service district to direct and authorize, the district treasurer or the
26 county treasurer to invest funds described in RCW 28A.320.310 and
27 28A.320.320 and funds from state and federal sources as are then or
28 thereafter received by the educational service district, and such funds
29 from county sources as are then or thereafter received by the county
30 treasurer, for distribution to the common school districts. Funds from
31 state, county and federal sources which are so invested may be invested
32 only for the period the funds are not required for the immediate
33 necessities of the common school district as determined by the school
34 district board of directors or its delegatee, and shall be invested in
35 behalf of the common school district pursuant to the terms of RCW
36 28A.320.310, 28A.320.320, 36.29.020, 36.29.022, or 36.29.024 as the
37 nature of the funds shall dictate. A grant of authority by a common

1 school district pursuant to this section shall be by resolution of the
2 board of directors and shall specify the duration and extent of the
3 authority so granted. Any authority delegated to an educational
4 service district pursuant to this section may be redelegated pursuant
5 to RCW 28A.310.220.

6 **Sec. 3.** RCW 28A.320.310 and 1999 c 18 s 2 are each amended to read
7 as follows:

8 The board of directors of any school district of the state of
9 Washington which now has, or hereafter shall have, funds in the capital
10 projects fund of the district (~~((in the office of the county treasurer))~~)
11 which in the judgment of said board are not required for the immediate
12 necessities of the district, may invest and reinvest all, or any part,
13 of such funds pursuant to RCW 35.39.030, 36.29.020, 36.29.022,
14 36.29.024, 39.59.020, 39.59.030, (~~(and)~~) 43.84.080, and 43.250.040:
15 PROVIDED, That nothing herein authorized, or the type and character of
16 the securities thus specified, shall have in itself the effect of
17 delaying any program of building for which said funds shall have been
18 authorized. Said funds and said securities and the profit and interest
19 thereon, and the proceeds thereof, shall be held by the county
20 treasurer or the district treasurer to the credit and benefit of the
21 capital projects fund of the district (~~((in the county treasurer's~~
22 ~~office))~~).

23 **Sec. 4.** RCW 28A.320.320 and 1999 c 18 s 3 are each amended to read
24 as follows:

25 The county treasurer, or the district treasurer, trustee, guardian,
26 or any other custodian of any school fund, when authorized to do so by
27 the board of directors of any school district, shall invest or reinvest
28 any school funds of such district in investment securities pursuant to
29 RCW 36.29.020 and 36.29.022. The county treasurer or the district
30 treasurer, shall have the power to select the particular investment in
31 which said funds may be invested. All earnings and income from such
32 investments shall inure to the benefit of any school fund designated by
33 the board of directors of the school district which such board may
34 lawfully designate: PROVIDED, That any interest or earnings being
35 credited to a fund different from that which earned the interest or
36 earnings shall only be expended for instructional supplies, equipment

1 or capital outlay purposes. This section shall apply to all funds
2 which may be lawfully so invested or reinvested which in the judgment
3 of the school board are not required for the immediate necessities of
4 the district.

5 Unless the board of directors has designated a district treasurer,
6 five percent of the interest or earnings, with an annual minimum of ten
7 dollars or annual maximum of fifty dollars, on any transactions
8 authorized by each resolution of the board of school directors shall be
9 paid as an investment service fee to the office of county treasurer
10 when the interest or earnings becomes available to the school district
11 or an amount as determined pursuant to RCW 36.29.022 and 36.29.024.

12 **Sec. 5.** RCW 28A.510.270 and 1991 c 245 s 2 are each amended to
13 read as follows:

14 (1) Except as provided in section 1 of this act, the county
15 treasurer of each county of this state shall be ex officio treasurer of
16 the several school districts of their respective counties(~~(, and ,)~~).
17 Except as otherwise provided by law, it shall be the duty of each
18 county treasurer:

19 ~~((+1))~~ (a) To receive and hold all moneys belonging to such school
20 districts, and to pay them only for legally authorized obligations of
21 the district.

22 ~~((+2))~~ (b) To prepare and submit to each school district
23 superintendent in the county a written report of the state of the
24 finances of such district on the first day of each month, which report
25 shall be submitted not later than the seventh business day of the
26 month, which report shall contain the balance on hand the first of the
27 preceding month, the funds paid in, warrants paid with interest
28 thereon, if any, the number of warrants issued and not paid, and the
29 balance on hand.

30 ~~((+3))~~ (c) The treasurer of each county shall submit a statement
31 of all canceled warrants of districts to the respective school district
32 superintendents. The canceled warrants of each district shall be
33 preserved separately and shall at all times be open to inspection by
34 the school district superintendent or by any authorized accountant of
35 such district.

36 (2) A district treasurer designated under section 1 of this act

1 shall perform the duties of a county treasurer under this section on
2 behalf of the school district.

3 NEW SECTION. **Sec. 6.** A new section is added to chapter 28A.310
4 RCW to read as follows:

5 (1) In addition to other powers and duties prescribed by law, every
6 educational service district board shall be authorized to:

7 (a) By resolution, elect to act as its own district treasurer or
8 designate some other person having experience in financial or fiscal
9 matters to serve as the district treasurer; or

10 (b) Upon mutual agreement with a school district, serve as a
11 district treasurer on behalf of the school district as provided in
12 section 1 of this act.

13 (2) A district treasurer serving on behalf of the educational
14 service district shall have the powers, responsibilities, and duties
15 of, and shall be subject to the same restrictions as provided by law
16 for, the county treasurer and the county auditor with regard to
17 educational service district financial matters. A district treasurer
18 serving on behalf of the educational service district shall be bonded
19 in an amount and under the terms and conditions that the board finds
20 will protect the district against loss, but for not less than twenty-
21 five thousand dollars.

22 (3) An educational service district that acts as its own treasurer
23 or acts as a district treasurer on behalf of a school district or
24 districts as provided in section 1 of this act may by resolution adopt
25 a policy for the payment of claims or other obligations of the
26 district, which are payable out of solvent funds, electing to pay such
27 obligations by warrant or by check. However, when the applicable fund
28 is not solvent at the time payment is ordered, a warrant shall be
29 issued. When checks are to be used, the educational service district
30 shall designate the qualified public depository where checks are to be
31 drawn and the officers authorized or required to sign checks. Wherever
32 a reference is made to warrants in this title, the term includes checks
33 where authorized by this section.

34 **Sec. 7.** RCW 28A.310.370 and 1983 c 56 s 4 are each amended to read
35 as follows:

36 The superintendent of public instruction shall examine and revise

1 the biennial budget request of each educational service district and
2 shall fix the amount to be requested in state funds for the educational
3 service district system from the legislature. Once funds have been
4 appropriated by the legislature, the superintendent of public
5 instruction shall fix the annual budget of each educational service
6 district and shall allocate quarterly the state's portion from funds
7 appropriated for that purpose to the district treasurer or the county
8 treasurer of the headquarters county of the educational service
9 district for deposit to the credit of the educational service district
10 general expense fund.

11 In each educational service district, there shall be an educational
12 service district general expense fund into which there shall be
13 deposited such moneys as are allocated by the superintendent of public
14 instruction under provisions of this chapter and other funds of the
15 educational service district, and such moneys shall be expended
16 according to the method used by first or second-class school districts,
17 whichever is deemed most feasible by the educational service district
18 board. No vouchers for warrants other than moneys being distributed to
19 the school districts shall be approved for expenditures not budgeted by
20 the educational service district board.

21 **Sec. 8.** RCW 28A.310.410 and 1990 c 33 s 289 are each amended to
22 read as follows:

23 Except as provided in section 6 of this act, the county treasurer
24 of the county in which the headquarters office of the educational
25 service district is located shall serve as the ex officio treasurer of
26 the district. The county treasurer or district treasurer shall keep
27 all funds and moneys of the district separate and apart from all other
28 funds and moneys in the treasurer's custody and shall disburse such
29 moneys only upon proper order of the educational service district board
30 or superintendent.

31 **Sec. 9.** RCW 28A.160.130 and 1991 c 114 s 2 are each amended to
32 read as follows:

33 (1) There is created a fund on deposit with each county treasurer
34 for each school district of the county or the district treasurer, which
35 shall be known as the transportation vehicle fund. Money to be

1 deposited into the transportation vehicle fund shall include, but is
2 not limited to, the following:

3 (a) The balance of accounts held in the general fund of each school
4 district for the purchase of approved transportation equipment and for
5 major transportation equipment repairs under RCW 28A.150.280. The
6 amount transferred shall be the balance of the account as of September
7 1, 1982;

8 (b) Reimbursement payments provided for in RCW 28A.160.200 except
9 those provided under RCW 28A.160.200(~~(4)~~)(3) that are necessary for
10 contracted payments to private carriers;

11 (c) Earnings from transportation vehicle fund investments as
12 authorized in RCW 28A.320.300; and

13 (d) The district's share of the proceeds from the sale of
14 transportation vehicles, as determined by the superintendent of public
15 instruction.

16 (2) Funds in the transportation vehicle fund may be used for the
17 following purposes:

18 (a) Purchase of pupil transportation vehicles pursuant to RCW
19 28A.160.200 and 28A.150.280;

20 (b) Payment of conditional sales contracts as authorized in RCW
21 28A.335.200 or payment of obligations authorized in RCW 28A.530.080,
22 entered into or issued for the purpose of pupil transportation
23 vehicles;

24 (c) Major repairs to pupil transportation vehicles.

25 The superintendent of public instruction shall adopt rules which
26 shall establish the standards, conditions, and procedures governing the
27 establishment and use of the transportation vehicle fund. The rules
28 shall not permit the transfer of funds from the transportation vehicle
29 fund to any other fund of the district.

30 **Sec. 10.** RCW 28A.220.040 and 2000 c 115 s 10 are each amended to
31 read as follows:

32 (1) Each school district shall be reimbursed from funds
33 appropriated for traffic safety education.

34 (a) The state superintendent shall determine the per-pupil
35 reimbursement amount for the traffic safety education course to be
36 funded by the state. Each school district offering an approved

1 standard traffic safety education course shall be reimbursed or granted
2 an amount up to the level established by the superintendent of public
3 instruction as may be appropriated.

4 (b) The state superintendent may provide per-pupil reimbursements
5 to school districts only where all the traffic educators have satisfied
6 the continuing education requirement of RCW 28A.220.030(4).

7 (2) The board of directors of any school district or combination of
8 school districts may establish a traffic safety education fee, which
9 fee when imposed shall be required to be paid by any duly enrolled
10 student in any such school district prior to or while enrolled in a
11 traffic safety education course. Traffic safety education fees
12 collected by a school district shall be deposited with the county
13 treasurer or district treasurer to the credit of such school district,
14 to be used to pay costs of the traffic safety education course.

15 **Sec. 11.** RCW 28A.320.080 and 1995 c 77 s 21 are each amended to
16 read as follows:

17 Every board of directors, unless otherwise specifically provided by
18 law, shall:

19 (1) Provide for the expenditure of a reasonable amount for suitable
20 commencement exercises;

21 (2) In addition to providing free instruction in lip reading for
22 children disabled by defective hearing, make arrangements for free
23 instruction in lip reading to adults disabled by defective hearing
24 whenever in its judgment such instruction appears to be in the best
25 interests of the school district and adults concerned;

26 (3) Join with boards of directors of other school districts or an
27 educational service district pursuant to RCW 28A.310.180(3), or both
28 such school districts and educational service district in buying
29 supplies, equipment and services by establishing and maintaining a
30 joint purchasing agency, or otherwise, when deemed for the best
31 interests of the district, any joint agency formed hereunder being
32 herewith authorized and empowered to issue interest bearing warrants in
33 payment of any obligation owed: PROVIDED, HOWEVER, That those agencies
34 issuing interest bearing warrants shall assign accounts receivable in
35 an amount equal to the amount of the outstanding interest bearing
36 warrants to the county treasurer or district treasurer issuing such
37 interest bearing warrants: PROVIDED FURTHER, That the joint purchasing

1 agency shall consider the request of any one or more private schools
2 requesting the agency to jointly buy supplies, equipment, and services
3 including but not limited to school bus maintenance services, and,
4 after considering such request, may cooperate with and jointly make
5 purchases with private schools of supplies, equipment, and services,
6 including but not limited to school bus maintenance services, so long
7 as such private schools pay in advance their proportionate share of the
8 costs or provide a surety bond to cover their proportionate share of
9 the costs involved in such purchases;

10 (4) Consider the request of any one or more private schools
11 requesting the board to jointly buy supplies, equipment and services
12 including but not limited to school bus maintenance services, and,
13 after considering such request, may provide such joint purchasing
14 services: PROVIDED, That such private schools pay in advance their
15 proportionate share of the costs or provide a surety bond to cover
16 their proportionate share of the costs involved in such purchases; and

17 (5) Prepare budgets as provided for in chapter 28A.505 RCW.

18 **Sec. 12.** RCW 28A.323.100 and 1994 c 301 s 3 are each amended to
19 read as follows:

20 Upon receipt of the aforesaid certificate, it shall be the duty of
21 the county legislative authority of each county to levy on all taxable
22 property of that part of the joint school district which lies within
23 the county a tax sufficient to raise the amount necessary to meet the
24 county's proportionate share of the estimated expenditures of the joint
25 district, as shown by the certificate of the educational service
26 district superintendent of the district to which the joint school
27 district belongs. Such taxes shall be levied and collected in the same
28 manner as other taxes are levied and collected, and the proceeds
29 thereof shall be forwarded monthly by the treasurer of each county,
30 other than the county to which the joint district belongs, to the
31 treasurer of the county to which such district belongs and shall be
32 placed to the credit of said district. The treasurer of the county to
33 which a joint school district belongs is hereby declared to be the
34 treasurer of such district, except as provided in section 1 of this
35 act.

1 **Sec. 13.** RCW 28A.325.030 and 2000 c 157 s 2 are each amended to
2 read as follows:

3 (1)(a) There is hereby created a fund on deposit with each district
4 treasurer or county treasurer for each school district of the county
5 having an associated student body as defined in RCW 28A.325.020. Such
6 fund shall be known as the associated student body program fund. Rules
7 adopted by the superintendent of public instruction under RCW
8 28A.325.020 shall require separate accounting for each associated
9 student body's transactions in the school district's associated student
10 body program fund.

11 (b) All moneys generated through the programs and activities of any
12 associated student body shall be deposited in the associated student
13 body program fund. Such funds may be invested for the sole benefit of
14 the associated student body program fund in items enumerated in RCW
15 28A.320.320 and the county treasurer may assess a fee as provided
16 therein. Disbursements from such fund shall be under the control and
17 supervision, and with the approval, of the board of directors of the
18 school district, and shall be by warrant as provided in chapter 28A.350
19 RCW: PROVIDED, That in no case shall such warrants be issued in an
20 amount greater than the funds on deposit with the ((~~county~~)) treasurer
21 in the associated student body program fund. To facilitate the payment
22 of obligations, an imprest bank account or accounts may be created and
23 replenished from the associated student body program fund.

24 (c) The associated student body program fund shall be budgeted by
25 the associated student body, subject to approval by the board of
26 directors of the school district. All disbursements from the
27 associated student body program fund or any imprest bank account
28 established thereunder shall have the prior approval of the appropriate
29 governing body representing the associated student body.
30 Notwithstanding the provisions of RCW 43.09.210, it shall not be
31 mandatory that expenditures from the district's general fund in support
32 of associated student body programs and activities be reimbursed by
33 payments from the associated student body program fund.

34 (2) Subject to applicable school board policies, student groups may
35 conduct fund-raising activities, including but not limited to
36 soliciting donations, in their private capacities for the purpose of
37 generating nonassociated student body fund moneys. The school board
38 policy shall include provisions to ensure appropriate accountability

1 for these funds. Nonassociated student body program fund moneys
2 generated and received by students for private purposes to use for
3 scholarship, student exchange, and/or charitable purposes shall be held
4 in trust in one or more separate accounts within an associated student
5 body program fund and be disbursed for such purposes as the student
6 group conducting the fund-raising activity shall determine: PROVIDED,
7 That the school district shall either withhold an amount from such
8 moneys as will pay the district for its direct costs in providing the
9 service or otherwise be compensated for its cost for such service.
10 Nonassociated student body program fund moneys shall not be deemed
11 public moneys under section 7, Article VIII of the state Constitution.
12 Notice shall be given identifying the intended use of the proceeds.
13 The notice shall also state that the proceeds are nonassociated student
14 body funds to be held in trust by the school district exclusively for
15 the intended purpose. "Charitable purpose" under this section does not
16 include any activity related to assisting a campaign for election of a
17 person to an office or for the promotion or opposition to a ballot
18 proposition.

19 **Sec. 14.** RCW 28A.330.080 and 1990 c 33 s 346 are each amended to
20 read as follows:

21 Moneys of such school districts shall be paid out only upon orders
22 for warrants signed by the president, or a majority of the board of
23 directors and countersigned by the secretary: PROVIDED, That when, in
24 the judgment of the board of directors, the orders for warrants issued
25 by the district monthly shall have reached such numbers that the
26 signing of each warrant by the president personally imposes too great
27 a task on the president, the board of directors, after auditing all
28 payrolls and bills as provided by RCW 28A.330.090, may authorize the
29 issuing of one general certificate to the county treasurer or district
30 treasurer, to be signed by the president, authorizing said treasurer to
31 pay all the warrants specified by date, number, name and amount, and
32 the funds on which said warrants shall be drawn; thereupon the
33 secretary of said board shall be authorized to draw and sign said
34 orders for warrants.

35 **Sec. 15.** RCW 28A.350.010 and 1990 c 33 s 373 are each amended to
36 read as follows:

1 Except as provided in section 1 of this act, the county auditor
2 shall register in the auditor's own office, and present to the
3 treasurer for registration in the office of the county treasurer, all
4 warrants of first-class districts, and all warrants of second-class
5 districts electing to draw and issue their own warrants under RCW
6 28A.330.230 received from school district superintendents or district
7 secretaries before delivery of the same to claimants.

8 **Sec. 16.** RCW 28A.350.050 and 1973 c 72 s 1 are each amended to
9 read as follows:

10 No warrant shall be drawn and issued or registered by the county
11 auditor or district treasurer for the payment of any teacher who is not
12 qualified within the meaning of the law of this state.

13 **Sec. 17.** RCW 28A.410.060 and 2005 c 497 s 206 are each amended to
14 read as follows:

15 The fee for any certificate, or any renewal thereof, issued by the
16 authority of the state of Washington, and authorizing the holder to
17 teach or perform other professional duties in the public schools of the
18 state shall be not less than one dollar or such reasonable fee therefor
19 as the Washington professional educator standards board by rule shall
20 deem necessary therefor. The fee must accompany the application and
21 cannot be refunded unless the application is withdrawn before it is
22 finally considered. The educational service district superintendent,
23 or other official authorized to receive such fee, shall within thirty
24 days transmit the same to the district treasurer or treasurer of the
25 county in which the office of the educational service district
26 superintendent is located, to be by him or her placed to the credit of
27 said school district or educational service district: PROVIDED, That
28 if any school district collecting fees for the certification of
29 professional staff does not hold a professional training institute
30 separate from the educational service district then all such moneys
31 shall be placed to the credit of the educational service district.

32 Such fees shall be used solely for the purpose of precertification
33 professional preparation, program evaluation, and professional in-
34 service training programs in accord with rules of the Washington
35 professional educator standards board herein authorized.

1 **Sec. 18.** RCW 28A.530.030 and 1984 c 186 s 12 are each amended to
2 read as follows:

3 When the bonds have been sold, the county treasurer or district
4 treasurer shall place the money derived from such sale to the credit of
5 the capital projects fund of the district, and such fund is hereby
6 created.

7 **Sec. 19.** RCW 28A.530.050 and 1990 c 33 s 479 are each amended to
8 read as follows:

9 Every holder of any of the bonds so issued as a bearer bond as
10 provided in this chapter, within ten days after the owner becomes the
11 owner or holder thereof, shall notify the district treasurer or county
12 treasurer of the county in which such bonds are issued of his or her
13 ownership, together with his or her full name and post office address,
14 and the ((county)) treasurer ((of said county)) shall deposit in the
15 post office, properly stamped and addressed to each owner of any such
16 bonds subject to redemption or payment, a notice in like form, stating
17 the time and place of the redemption of such bonds and the number of
18 the bonds to be redeemed, and in case any owners of bonds shall fail to
19 notify the treasurer of their ownership as aforesaid, then a notice
20 mailed to the last holder of such bonds shall be deemed sufficient, and
21 any and all such notices so mailed as aforesaid shall be deemed to be
22 personal notice to the holders of such bonds, and at the expiration of
23 the time therein named shall have the force to suspend the interest
24 upon any such bonds.

25 **Sec. 20.** RCW 28A.535.060 and 1990 c 33 s 483 are each amended to
26 read as follows:

27 If bonds issued under this chapter are not sold as herein provided,
28 the owners of unpaid warrants drawn on the county treasurer or district
29 treasurer by such district for an indebtedness existing at the time of
30 the adoption of the resolution mentioned in RCW 28A.535.020, may
31 exchange said warrants at the face value thereof and accrued interest
32 thereon for bonds issued under this chapter, at not less than par value
33 and accrued interest of such bonds at the time of the exchange; such
34 exchange to be made under such regulations as may be provided by the

1 board of directors of such district.

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