

HB 1871-S - DIGEST

(SUBSTITUTED FOR - SEE 2ND SUB)

Finds that the existing school district budget review system focuses on current school year budget implementation and preparation of the ensuing school year budget and does not provide a systematic look of longer-range budget issues, including any indication of impending financial problems in school districts and the financial impact of long-term contractual agreements. Parents, students, taxpayers, school employees, and school administrators need a financial monitoring system that considers long-term budgeting issues and commitments, and provides early warning of school district financial health concerns. Once financial concerns and issues are identified, districts should receive early, practical assistance.

Requires the legislative evaluation and accountability program committee and the office of financial management to jointly develop and implement a school district financial health and monitoring system.

Requires the legislative evaluation and accountability program committee and the office of financial management to present proposed system measures and a financial health outlook rating system to the governor and the legislature by November 1, 2007. Unless the legislature takes action during the 2008 legislative session to change the measures and the rating system, the financial health and monitoring system shall be implemented by the legislative evaluation and accountability program committee during the 2008-09 school year.

Directs the legislative evaluation and accountability program committee and the office of financial management to submit a report summarizing the review and reporting recommendations in this act to the governor, the superintendent of public instruction, and the education and fiscal committees of the legislature by November 15, 2007.