

SB 5842 - DIGEST

(SEE ALSO PROPOSED 1ST 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 office of the superintendent of public instruction and the office of financial management to present proposed system measures and a financial health outlook rating system to the governor by November 1, 2007. Subject to agreement between the governor and the superintendent of public instruction on the measures and the rating system, the financial health and monitoring system shall be implemented during the 2008-09 school year.

Directs the office of the superintendent of public instruction, with regional financial specialists contracted through educational service districts, to provide progressive levels of technical assistance to school districts in the lowest two categories on the financial health outlook rating system.

Requires the superintendent of public instruction to submit a report summarizing the review and reporting recommendations in this act to the governor and the education and fiscal committees of the legislature by November 15, 2007.