

State of Arizona
House of Representatives
Forty-eighth Legislature
Second Regular Session
2008

HOUSE BILL 2369

AN ACT

AMENDING SECTION 15-904, ARIZONA REVISED STATUTES; RELATING TO SCHOOL FINANCE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 15-904, Arizona Revised Statutes, is amended to
3 read:

4 15-904. School district annual financial report; publication;
5 summary

6 A. The governing board of each school district shall publish an annual
7 financial report ~~on a school by school basis~~ for the prior fiscal year by
8 November 15. The auditor general in conjunction with the department of
9 education shall prescribe the format of the financial report to be used by
10 school districts. The financial report shall contain budgeted and actual
11 expenditures for the preceding fiscal year and shall be prepared and
12 distributed by October 15 by the school district with a copy to the county
13 school superintendent. A copy of the annual financial report shall be
14 submitted electronically by the school district to the superintendent of
15 public instruction by October 15. The annual financial report shall be
16 approved by the county school superintendent in an electronic procedure as
17 prescribed by the department of education. School districts that are subject
18 to section 15-914.01 are not required to send a copy to the county school
19 superintendent.

20 B. In addition to the information required in subsection A of this
21 section, the annual financial report shall contain detailed information on
22 the school district budgeted and actual expenditures from the bond building
23 fund, the soft capital allocation fund, the deficiencies correction fund, the
24 building renewal fund and the new school facilities fund, including but not
25 limited to information on classified salaries, employee benefits, interest
26 and fiscal charges, capital lease agreements, land and improvements,
27 buildings and improvements, furniture and equipment, technology and vehicles
28 and transportation equipment for pupils. The information shall specify
29 whether the expenditures are for school district renovation or for new
30 construction, the cost per square foot, and land acquisition costs, as
31 appropriate. Beginning with fiscal year 2006-2007, school districts shall
32 report by individual schools annual expenditures for maintenance and
33 operations, unrestricted capital outlay, soft capital, deficiencies
34 correction and building renewal.

35 C. Except as provided in subsection D of this section, the governing
36 board shall publish, by November 15, the annual financial report for the
37 school district EITHER in a newspaper of general circulation within the
38 school district, BY ELECTRONIC TRANSMISSION OF THE INFORMATION TO THE
39 DEPARTMENT OF EDUCATION FOR POSTING ON THE DEPARTMENT'S WEBSITE or in the
40 official newspaper of the county as defined in section 11-255 or the
41 governing board may mail the annual financial report for the school district
42 to each household in the school district. IF THE GOVERNING BOARD CHOOSES TO
43 TRANSMIT THE REPORT ELECTRONICALLY TO THE DEPARTMENT OF EDUCATION, THE SCHOOL
44 DISTRICT SHALL PROVIDE A LINK ON THE SCHOOL DISTRICT'S WEBSITE TO THE REPORT
45 ON THE DEPARTMENT'S WEBSITE. If the governing board chooses to publish the

1 report in a newspaper, the size of the newspaper print shall be at least
2 eight-point type. The cost of publication or mailing shall be a charge
3 against the school district. The publisher's affidavit of publication shall
4 be filed by the governing board of the school district with the
5 superintendent of public instruction within thirty days after publication.

6 D. The governing board may publish or mail a summary of the annual
7 financial report in the same manner as provided in subsection C of this
8 section. The auditor general in conjunction with the department of education
9 shall prescribe the form of the summary of the annual financial report for
10 use by the governing boards.

11 E. The superintendent of public instruction shall compile the
12 financial reports of the school districts ~~on a school by school basis~~,
13 including ~~school by school~~ expenditure data for federal and state projects,
14 and shall report to the governor and the legislature on or before January 15
15 of each year as provided in section 15-255.