

Fiscal Estimate - 2019 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 19-5041/1	Introduction Number AB-0810
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Description
 creating a computerized uniform school budget and accounting system

Fiscal Effect

State:

No State Fiscal Effect
 Indeterminate

<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Decrease Costs
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Local:

No Local Government Costs
 Indeterminate

1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
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Fund Sources Affected	Affected Ch. 20 Appropriations
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	20.255 (1) (a)

Agency/Prepared By DPI/ Erin Fath (608) 266-2804	Authorized Signature Robert A Soldner (608) 267-9124	Date 2/11/2020
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Fiscal Estimate Narratives

DPI 2/11/2020

LRB Number	19-5041/1	Introduction Number	AB-0810	Estimate Type	Original
Description creating a computerized uniform school budget and accounting system					

Assumptions Used in Arriving at Fiscal Estimate

This bill creates a committee on uniform school budget and accounting and requires the department to, after considering recommendations from the committee, establish a new computerized uniform budget and accounting system for the transmission of financial information from school districts, independent charter schools, and county children with disabilities education boards (CCDEBs) to DPI (the new budget and accounting system).

Under the bill, the new budget and accounting system must allow DPI to annually collect and report detailed information related to the receipt and expenditure of state, federal, and local funds at the school district and school level. The new budget and accounting system must also make data collected through the system available on a single web page on DPI's Internet site. DPI must present the data on its Internet site in a format that allows the public to download, sort, search, and access the data at no cost. Finally, the bill requires DPI to annually conduct a public information campaign on the availability of financial data on its Internet site.

The bill requires school boards, charter schools, and CCDEBs to begin using the new budget and accounting system in the 2021-22 school year.

The department estimates that a project of this scope would require at least three years to complete. Currently, districts report district level financial information to the department; however, the department is currently in the process of developing new financial collection tools that will allow districts to report detailed school level information beginning in the 2021-22 school year (in conformance with the federal Every Student Succeeds Act [ESSA]).

The timeline below illustrates why three years would be necessary to accomplish the deliverables specified in the bill and delineates the timelines under which the department is currently working:

2020-21: Development of financial collection tools. Notification to schools to collect and report this data to DPI.

2021-22: School-level financial reports submitted in late Summer 2022.

2022-23: DPI reviews prior year school-level financial reports and the 2021-22 financial audits.

2023-24: Deployment of web portal reflecting audited collection.

The aforementioned timeline also must reconcile with the IT needs and timelines associated with competing information technology needs and statutory responsibilities absent additional resources.

Local Fiscal Impact: no direct impact

State Fiscal Impact: Increased costs, indeterminate

While the department is currently working towards a school-building level financial data reporting system, the requirement under the bill to make data collected through the system available on a single web page on DPI's Internet site would require the department to construct an online data portal. While the precise costs of this project are not known, the cost of a single IT contractor (e.g., to conduct the necessary work of development, programming, testing, and implementation of a portal that contains the requisite data and functionality specified in the bill) is at least \$170,000 annually.

Long-Range Fiscal Implications