



2019 SENATE BILL 743

January 29, 2020 - Introduced by Senators DARLING, BERNIER, CRAIG, KAPENGA, KOOYENGA and STROEBEL, cosponsored by Representatives FELZKOWSKI, BORN, BRANDTJEN, DITTRICH, DUCHOW, EDMING, GUNDRUM, JAGLER, JAMES, KATSMA, KRUG, KUGLITSCH, LOUDENBECK, MAGNAFICI, MURPHY, OTT, PETRYK, PLUMER, RODRIGUEZ, SANFELIPPO, SKOWRONSKI, STEINEKE, TAUCHEN, TUSLER and NYGREN. Referred to Committee on Education.

1 **AN ACT** *to renumber and amend* 115.28 (13); *to amend* 115.28 (13) (title),
2 115.30 (1), 118.38 (1) (a) 6. and 121.05 (1) (c); and *to create* 115.28 (13) (b) and
3 (c) and 120.18 (1) (p) of the statutes; **relating to:** creating a computerized
4 uniform school budget and accounting system.

Analysis by the Legislative Reference Bureau

This bill creates a committee on uniform school budget and accounting and requires the Department of Public Instruction 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.

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The bill creates a committee on uniform school budget and accounting to advise DPI on the creation and maintenance of the new budget and accounting system. Under the bill, by no later than January 1, 2021, the committee must submit an advisory report to DPI on the methods and data that the committee determines are necessary to create the new budget and accounting system. The advisory report must include recommendations on the reporting categories to be included in the new budget and accounting system, the financial data to be collected for each reporting category, and whether DPI's hardware, software, data security, training, and communications related to financial reporting are appropriate for the new budget and accounting system.

No later than 45 days after receiving the advisory report from the committee, DPI must respond in writing to the committee on whether DPI will implement each recommendation in the report. DPI must also deliver the advisory report and DPI's written response to the advisory report to the Joint Committee on Finance. If JCF does not schedule a meeting to review DPI's response within 14 days, DPI must implement the recommendations, as modified in DPI's written response, to establish the new budget and accounting system. If JCF does schedule a meeting to review DPI's written response, DPI may not establish the new budget and accounting system until JCF approves DPI's plan to establish the new budget and accounting system.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 115.28 (13) (title) of the statutes is amended to read:

2 115.28 (13) (title) UNIFORM ~~FINANCIAL FUND~~ BUDGET AND ACCOUNTING SYSTEM.

3 **SECTION 2.** 115.28 (13) of the statutes is renumbered 115.28 (13) (a) and
4 amended to read:

5 115.28 (13) (a) Prescribe a uniform financial fund accounting system,
6 applicable to all school districts and county children with disabilities education
7 boards, which provides for the recording of all financial transactions inherent in the
8 management of schools and county children with disabilities education board
9 programs and the administration of the state's school aid programs. The state
10 superintendent may not require a school district or county children with disabilities

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1 education board to use the system prescribed under this paragraph after June 30,
2 2021.

3 **SECTION 3.** 115.28 (13) (b) and (c) of the statutes are created to read:

4 115.28 **(13)** (b) 1. After considering recommendations from the uniform school
5 budget and accounting advisory committee, establish and maintain a computerized
6 uniform budget and accounting system that allows for the accurate and timely
7 transmission of financial information from school districts, charter schools
8 established under s. 118.40 (2r) and (2x), and county children with disabilities
9 education boards to the department.

10 2. Establish the computerized uniform budget and accounting system under
11 subd. 1. in a manner that does all of the following:

12 a. Allows the state superintendent to annually collect and report detailed
13 information related to the receipt and expenditure of state, federal, and local funds
14 by school district and by school.

15 b. Conforms with generally accepted accounting principles.

16 c. Makes receipt and expenditure data collected through the computerized
17 uniform budget and accounting system under subd. 1. available on a single web page
18 of the department's Internet site in a format that allows the public to download, sort,
19 search, and access the expenditure data at no cost.

20 3. Ensure that financial information required to be available on the
21 department's Internet site under subd. 2. is updated at least annually.

22 4. Annually, conduct a public information campaign on the availability of
23 expenditure data on the department's Internet site.

24 (c) Beginning in the 2021-22 school year, require school boards, charter schools
25 established under s. 118.40 (2r) and (2x), and county children with disabilities

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1 education boards to use the computerized uniform budget and accounting system
2 established under par. (b).

3 **SECTION 4.** 115.30 (1) of the statutes is amended to read:

4 115.30 (1) The department shall prepare for the use of school officers suitable
5 forms for making reports, and suitable outlines as aids in conducting school
6 meetings. With the exception of changes due to statute or rule revision, the
7 department shall give school districts a one-year advance notice of any changes to
8 be made to the forms and reports. School district officers and employees shall
9 maintain a uniform recording of accounting as prescribed by the department under
10 s. 115.28 (13) and make such reports to the department as will enable it to distribute
11 state school fund appropriations and state educational appropriations to the schools
12 and persons entitled thereto, and to properly discharge the other duties of the
13 department.

14 **SECTION 5.** 118.38 (1) (a) 6. of the statutes is amended to read:

15 118.38 (1) (a) 6. The uniform ~~financial fund~~ accounting system under ss. 115.28
16 (13) and 115.30 (1), and audits of school district accounts under s. 120.14.

17 **SECTION 6.** 120.18 (1) (p) of the statutes is created to read:

18 120.18 (1) (p) Information required by the department under s. 115.28 (13) (b).

19 **SECTION 7.** 121.05 (1) (c) of the statutes is amended to read:

20 121.05 (1) (c) The estimated budget for the current school year which shall be
21 based upon the uniform accounting system prescribed by the department under s.
22 115.28 (13) (b).

23 **SECTION 8. Nonstatutory provisions.**

24 (1) COMMITTEE ON UNIFORM SCHOOL BUDGET AND ACCOUNTING.

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1 (a) *Creation*. There is created a uniform school budget and accounting advisory
2 committee to advise the department of public instruction on the creation and
3 maintenance of a computerized uniform budget and accounting system.

4 (b) *Members*. The uniform school budget and accounting advisory committee
5 shall consist of the following members:

6 1. The state superintendent of public instruction or his or her designee.

7 2. The speaker of the assembly or his or her designee.

8 3. The minority leader of the assembly or his or her designee.

9 4. The majority leader of the senate or his or her designee.

10 5. The minority leader of the senate or his or her designee.

11 6. One representative of the Wisconsin Association of School Boards, appointed
12 by the state superintendent of public instruction.

13 7. All of the following appointed by the speaker of the assembly:

14 a. One individual who represents a rural school board.

15 b. One individual who represents an entity that may authorize a charter school
16 under s. 118.40 (2r) or (2x).

17 8. All of the following appointed by the majority leader of the senate:

18 a. One individual who represents an urban school board.

19 b. One individual who represents a charter school authorized under s. 118.40
20 (2m).

21 9. One individual who represents a cooperative educational service agency,
22 appointed by the governor.

23 (c) *Duties; advisory committee*. By no later than January 1, 2021, the uniform
24 school budget and accounting advisory committee shall submit to the department of
25 public instruction an advisory report on the methods and data that the committee

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1 determines are necessary to create the computerized uniform budget and accounting
2 system under s. 115.28 (13) (b). In the advisory report, the committee shall include
3 recommendations to the department of public instruction on all of the following:

4 1. The reporting categories to include in the computerized uniform budget and
5 accounting system under s. 115.28 (13) (b). In developing the recommendations
6 under this subdivision, the committee shall consider at least all of the following
7 categories:

8 a. Instructional programming.

9 b. Instructional personnel.

10 c. Instructional operations.

11 d. Facility maintenance and operations.

12 e. Pupil transportation.

13 f. School administration.

14 g. System administration.

15 h. Staff development or professional development.

16 i. Pension and health care costs.

17 j. Pupil participation in open enrollment under s. 118.51.

18 k. Pupil participation in part-time open enrollment under s. 118.52.

19 l. Pupil participation in the early college credit program under s. 118.55.

20 2. For each category recommended under subd. 1., the financial data to be
21 collected by and included in the computerized uniform budget and accounting system
22 under s. 115.28 (13) (b). In developing recommendations under this subdivision, the
23 committee shall consider at least all of the following for each category:

24 a. The total amount of local, state, and federal funds received for the category.

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1 b. For state funds received, the appropriation or program from which the funds
2 were disbursed.

3 c. The costs and expenditures related to pupil enrollment.

4 d. The per pupil and per school costs for the category.

5 3. On whether the department's hardware, software, data collection methods,
6 training, maintenance, communications, data security, and installation
7 specifications for reporting information are appropriate for the computerized
8 uniform budget and accounting system under s. 115.28 (13) (b).

9 (d) *Duties; department of public instruction.* By no later than 45 days after
10 receiving the advisory report under par. (c), the department of public instruction
11 shall do all of the following:

12 1. Respond in writing to the uniform school budget and accounting advisory
13 committee as to whether the department will implement each recommendation in
14 the advisory report. If the department of public instruction responds that it will not
15 implement a recommendation in the advisory report, the department shall include
16 its reasons for not implementing the recommendation.

17 2. Deliver a copy of the response under subd. 1. and a copy of the advisory report
18 the department received under par. (c) to the joint committee on finance.

19 (e) *Review by the joint committee on finance.* If the cochairpersons of the joint
20 committee on finance do not notify the department of public instruction that the
21 committee has scheduled a meeting for the purpose of reviewing the department's
22 response to the advisory report within 14 working days after the date of receipt of the
23 department's response under par. (d) 2., the department shall implement the
24 recommendations, as modified in the department's response, in establishing the
25 computerized uniform budget and accounting system under s. 115.28 (13) (b). If,

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1 within 14 working days after the date of the department's response, the
2 cochairpersons of the committee notify the department that the committee has
3 scheduled a meeting for the purpose of reviewing the department's response to the
4 recommendations in the advisory report under par. (c), the department may not
5 establish the computerized uniform budget and accounting system under s. 115.28
6 (13) (b) until the committee approves the department's plan to implement or reject
7 each recommendation in the advisory report.

8 (f) *Termination.* The uniform school budget and accounting advisory
9 committee terminates on January 1, 2024.

10 (END)