



**SENATE SUBSTITUTE AMENDMENT 1,
TO SENATE BILL 478**

March 10, 2014 – Offered by Senator COWLES.

1 **AN ACT** *to amend* 120.13 (19) and 120.14 (1); and *to create* 121.91 (4) (r) of the
2 statutes; **relating to:** school district expenditures for community programs
3 and services and requiring the exercise of rule-making authority.

Analysis by the Legislative Reference Bureau

Under current law, a school district may establish community education, training, recreational, cultural, or athletic programs and services. The school board may collect fees to cover all or part of the costs of such community programs and services. Current law excludes such costs from the school district's shared cost and increases the school district's revenue limit by the amount of property taxes levied for community programs and services. The Department of Public Instruction (DPI) publishes guidelines regarding community service activities; see http://sfs.dpi.w.gov/sfs_comm_serv_fund_info.

This substitute amendment directs DPI to promulgate rules defining eligible costs for community programs and services and provides that only those expenditures that are eligible costs under the rules are excluded from a school district's shared cost. The substitute amendment also requires the annual school district audit to include information on expenditures for community programs and services. Finally, the substitute amendment decreases a school district's revenue

limit by the amount of its ineligible expenditures for community programs and services.

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

1 **SECTION 1.** 120.13 (19) of the statutes is amended to read:

2 120.13 (19) COMMUNITY PROGRAMS AND SERVICES. Establish and maintain
3 community education, training, recreational, cultural or athletic programs and
4 services, outside the regular curricular and extracurricular programs for pupils,
5 under such terms and conditions as the school board prescribes. The school board
6 may establish and collect fees to cover all or part of the costs of such programs and
7 services. ~~Costs~~ Eligible costs associated with such programs and services shall not
8 be included in the school district's shared cost under s. 121.07 (6). The department
9 shall promulgate rules defining "eligible costs" for the purposes of this subsection.

10 **SECTION 2.** 120.14 (1) of the statutes is amended to read:

11 120.14 (1) At the close of each fiscal year, the school board of each school district
12 shall employ a licensed accountant to audit the school district accounts and certify
13 the audit. The audit shall include information concerning the school district's
14 self-insurance plan under s. 120.13 (2) (b), as specified by the commissioner of
15 insurance, and information about expenditures for community programs and
16 services under s. 120.13 (19). If required by the state superintendent under s. 115.28
17 (18), the audit shall include an audit of the number of pupils reported for
18 membership purposes under s. 121.004 (5). The cost of the audit shall be paid from
19 school district funds. Annually by September 15, the school district clerk shall file
20 a financial audit statement with the state superintendent.

21 **SECTION 3.** 121.91 (4) (r) of the statutes is created to read:

