PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1120

(Reference to Senate engrossed bill)

1 Strike everything after the enacting clause and insert:

   “Section 1. Desegregation costs; fiscal year 2016-2017;
   forensic audit; audit findings

   A. Notwithstanding section 15-910, Arizona Revised Statutes, a school
   district that budgets more than $15,000,000 for desegregation expenses in
   fiscal year 2016-2017 may not spend any monies for desegregation expenses in
   fiscal year 2016-2017 until the auditor general conducts a forensic audit
   pursuant to subsection B of this section and until the house of
   representatives appropriations committee reviews those audit findings
   pursuant to subsection C of this section.

   B. The auditor general shall conduct a forensic audit of any school
   district that budgets more than $15,000,000 in fiscal year 2016-2017 for
   desegregation expenses pursuant to section 15-910, Arizona Revised Statutes.
   The audit shall examine the desegregation expenses of that school district
   for at least the most recent fiscal year, but not more than the three most
   recent fiscal years, at the discretion of the auditor general. The costs of
   conducting an audit pursuant to this subsection shall be deducted from the
   monies that the school district receives for desegregation expenses.

   C. The auditor general shall submit the findings of the audit
   conducted pursuant to this section to the members of the house of
   representatives appropriations committee. After receipt of the audit
   findings, the house of representatives appropriations committee may take
   either or both of the following actions:
1. Refer any evidence of misfeasance, malfeasance, misappropriation of monies or criminal conduct that is demonstrated in the audit findings to the attorney general.

2. Recommend proposed legislation to adjust desegregation funding for that school district or other school districts, or both, as a result of the audit findings."

Amend title to conform