



ARIZONA HOUSE OF REPRESENTATIVES

HB 2385: schools; accounting; budgeting; reporting

PRIME SPONSOR: Representative Boyer, LD 20

BILL STATUS: [Chapered](#)

Legend:

OAG – Office of the Auditor General
USFR – Uniform System of Financial Records
LEA – Local Education Agency
ADE – Arizona Department of Education
Amendments – **BOLD** and ~~Stricken~~ (Committee)

Abstract

Relating to school finance reporting.

Provisions

1. Permits school districts to develop policies and procedures to allow principals to budget or assist with budgeting. (Sec. 1)
2. Removes the current per pupil expenditure information required on school report cards. (Sec. 2)
3. Requires school district and charter school report cards and annual financial reports to include the following school level data beginning in FY 2021:
 - a. Total revenues generated by student counts.
 - b. Total allocated revenue from state, local and federal sources.
 - c. Classroom Site Fund allocations.
 - d. Allocations for specified expenditures.
 - e. A comparison of the school's funding information to other schools in the LEA. (Sec. 2, 3)
4. Directs OAG to facilitate a process with public schools to identify efficient and transparent methods and formats for reporting specified information by FY 2021, including school-level funding information, monies not allocated at the school level and expenditure information for special education. (Sec. 4)
5. Repeals the OAG process on January 1, 2022. (Sec. 4)
6. Makes technical and conforming changes. (Sec. 1, 2)

Current Law

OAG is required to determine the accounting systems, methods and procedures for school districts and prescribe the USFR ([A.R.S. § 15-271](#)). Each year school districts are required to distribute an annual report card containing specified information about school functions, goals, results and current per pupil expenditures for specified items and classroom instruction. The report must include a comparison of the school to that state amount for similar districts and the methodology for calculating per pupil expenditures is prescribed in the USFR ([A.R.S. § 15-746](#)).

Prop 105 (45 votes) Prop 108 (40 votes) Emergency (40 votes) Fiscal Note