

## CHAPTER 96

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**EDUCATION - PUBLIC SCHOOLS**

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HOUSE BILL 94-1213

BY REPRESENTATIVES Kaufman and Anderson;  
also SENATOR Meiklejohn.**AN ACT****CONCERNING AMENDMENTS TO THE BUDGET PROCEDURE FOR PUBLIC SCHOOLS.***Be it enacted by the General Assembly of the State of Colorado:*

**SECTION 1.** 22-53-108 (2) (a), Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended to read:

**22-53-108. Pupil funding - components.** (2) (a) The first pupil funding component shall be a per pupil amount for instructional supplies and materials, instructional capital outlay, and other instructional purposes. Instructional supplies and materials include, but are not limited to, supplies, textbooks, library books, periodicals, warehouse inventory adjustment, and other supplies and materials. Instructional capital outlay includes those expenditures which result in the acquisition of fixed assets for instructional purposes, or additions thereto, which the board of education anticipates will have benefits for more than one year. Other instructional purposes includes expenses incurred in providing transportation for pupils to and from school sponsored instructional activities which occur outside the classroom; costs incurred for repair or maintenance services for equipment which is directly used for instructional purposes; and costs incurred in providing staff development directly related to instruction. Costs incurred in providing staff development shall include moneys expended pursuant to contractual arrangements with educators and other staff development providers but shall not include moneys for out-of-state travel or moneys for in-district teacher salary increases. For the purpose of this subsection (2), instructional supplies and materials, instructional capital outlay, and other instructional purposes are limited to those functions accounts and objects accounts as ~~defined in handbook II revised published by the United States department of education~~ PRESCRIBED BY THE STATE BOARD OF EDUCATION.

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

**SECTION 2.** 22-44-105 (1) (b) and (1) (c), Colorado Revised Statutes, 1988 Repl. Vol., as amended, are amended, and the said 22-44-105 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

**22-44-105. Budget - contents - mandatory.** (1) The budget shall be presented in the format established by the state board of education by rule and regulation. In establishing the format, the state board shall consult annually with the advisory committee specified in paragraph (d) of this subsection (1) and shall adhere to the following guidelines:

(b) The budget shall be presented in a SUMMARY format which will allow for comparisons of revenues and expenditures among school districts by pupil.

(c) The budget shall be presented in a format that itemizes expenditures of the district by fund and by pupil. The budget shall describe the expenditure AND show the amount budgeted for the current fiscal year ~~the amount estimated to be expended for the current fiscal year~~, and the amount budgeted for the ensuing fiscal year.

(4) (a) NOT LATER THAN JULY 1, 1998, THE STATE BOARD OF EDUCATION, WITH INPUT FROM THE FINANCIAL POLICIES AND PROCEDURES ADVISORY COMMITTEE, SHALL ESTABLISH AND IMPLEMENT A STATEWIDE FINANCIAL, STUDENT MANAGEMENT, AND HUMAN RESOURCE ELECTRONIC DATA COMMUNICATIONS AND REPORTING SYSTEM THAT IS BASED ON A REDESIGNED STANDARD CHART OF ACCOUNTS, A STANDARD INFORMATION SYSTEM, AND A STANDARD PERSONNEL CLASSIFICATION SYSTEM. THE DEPARTMENT OF EDUCATION AND ALL SCHOOL DISTRICTS AND BOARDS OF COOPERATIVE SERVICES IN THE STATE SHALL USE THE SYSTEM TO REPORT AND OBTAIN NECESSARY FINANCIAL INFORMATION.

(b) IN REDESIGNING THE FINANCIAL AND HUMAN RESOURCE REPORTING SYSTEM PURSUANT TO PARAGRAPH (a) OF THIS SECTION, THE STATE BOARD OF EDUCATION SHALL ADHERE TO, BUT IS NOT LIMITED TO, THE FOLLOWING GUIDELINES:

(I) THE FINANCIAL AND HUMAN RESOURCE REPORTING SYSTEM SHALL BE BASED ON A REDESIGNED CHART OF ACCOUNTS THAT WILL MAKE SCHOOL-TO-SCHOOL AND SCHOOL DISTRICT-TO-SCHOOL DISTRICT COMPARISONS MORE ACCURATE AND MEANINGFUL;

(II) THE FINANCIAL AND HUMAN RESOURCE REPORTING SYSTEM SHALL PROVIDE STANDARD DEFINITIONS FOR EMPLOYMENT POSITIONS SUCH THAT FULL, ACCURATE DISCLOSURE OF ADMINISTRATIVE COSTS IS MADE WITHIN THE BUDGETS AND THE FINANCIAL STATEMENTS OF EVERY SCHOOL DISTRICT;

(III) THE FINANCIAL REPORTING SYSTEM SHALL MAKE IT POSSIBLE TO COLLECT COMPARABLE DATA BY PROGRAM AND SCHOOL SITE.

(c) NOTHING IN THIS SECTION SHALL BE INTERPRETED TO REQUIRE ACCOUNTING OF SALARY AND BENEFIT COSTS BY SCHOOL SITE.

(d) THE FINANCIAL, STUDENT MANAGEMENT, AND HUMAN RESOURCES REPORTING SYSTEM SHALL BE AVAILABLE ON A PILOT BASIS BY JULY 1, 1995, AND SHALL BE COMPLETELY IMPLEMENTED BY JULY 1, 1996. THE ELECTRONIC DATA

COMMUNICATIONS REPORTING SYSTEM SHALL BE AVAILABLE ON A PILOT BASIS BY JULY 1, 1997, AND SHALL BE COMPLETELY IMPLEMENTED BY JULY 1, 1998.

**SECTION 3.** 22-44-110 (5), Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended to read:

**22-44-110. Budget - consideration - adoption.** (5) After the adoption of the budget, the board may review and change the budget, with respect to both revenues and expenditures, at any time prior to September 30 of the fiscal year for which the budget was adopted. After September 30, the board shall not review or change the budget except as authorized by this article; EXCEPT THAT, WHERE MONEY FOR A SPECIFIC PURPOSE FROM OTHER THAN AD VALOREM TAXES SUBSEQUENTLY BECOMES AVAILABLE TO MEET A CONTINGENCY, THE BOARD MAY ADOPT A SUPPLEMENTAL BUDGET FOR EXPENDITURES NOT TO EXCEED THE AMOUNT OF SAID MONEY AND MAY APPROPRIATE SAID MONEY THEREFROM.

**SECTION 4. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: April 7, 1994