

REVENUE: Revenue statement issued

FISCAL: May have fiscal impact, statement not yet issued

Action:	Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways & Means by prior reference
Vote:	4 - 0 - 1
Yeas:	Kruse, Morse, Westlund, Walker
Nays:	0
Exc.:	Metsger
Prepared By:	Dana Richardson, Administrator
Meeting Dates:	2/6, 2/8

WHAT THE MEASURE DOES: Establishes a District Best Business Practices Advisory Committee to advise the Department of Education in developing a system for auditing business practices of districts. Specifies that districts may volunteer to be audited and that the department contract with the Secretary of State to perform audits. Requires audit reports be provided to State Board of Education, the district audited, and published on Internet. Exempts Governor from receipt of audit report. Provides for membership of District Best Business Practices Advisory Committee. Allows expenditures up to \$1 million from the State School Fund for use during 2007-2009 biennium to administer required activities. Declares an emergency; effective July 1, 2007.

ISSUES DISCUSSED:

- Inclusion of ESD's
- Removal of Efficiency Review Teams from the original bill
- Expected participation rates
- Recognition process for districts that implement best practices

EFFECT OF COMMITTEE AMENDMENT: Establishes a District Best Business Practices Advisory Committee to advise the Department of Education in developing a system for auditing business practices of districts. Specifies that districts may volunteer to be audited and that the department contract with the Secretary of State to perform audits. Removes Efficiency Review Advisory Panels. Requires audit reports be provided to State Board of Education, district audited, and published on Internet. Exempts Governor from receipt of audit report. Provides for membership of District Best Business Practices Advisory Committee. Allows expenditures up to \$1 million from the State School Fund for use during 2007-2009 biennium to administer required activities. Declares an emergency; effective July 1, 2007.

BACKGROUND: This bill came out of the Senate Commission on Education Excellence that convened during the 2005 Interim. They determined from a recent audit of overall school spending that Oregon schools spend significantly more per student than the national average on support services. They recommended a review system to assure school districts spend funds efficiently and ultimately direct limited funds into classrooms and high-priority programs.