

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action:	Without Recommendation as to Passage and Be Referred to the Committee on Ways and Means by prior reference
Vote:	10 - 0 - 0
Yeas:	Dembrow, Harker, Huffman, Komp, Maurer, Roblan, Sprenger, Thatcher, VanOrman, Gelser
Nays:	0
Exc.:	0
Prepared By:	Kevin T. Christiansen, Administrator
Meeting Dates:	5/27

WHAT THE MEASURE DOES: Permits Department of Education to enter into contracts to audit and evaluate business practices of school districts. Allows department to contract with Secretary of State to conduct audits and with private entities for evaluations. Requires that contracts comply with competitive bidding requirements.

ISSUES DISCUSSED:

- Support and criticism of allowing outside entities to conduct audits

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: House Bill 3141 (2007) established the District Best Business Practices Advisory Committee to advise the Department of Education in developing a system for auditing the business practices of school districts. It provided \$800,000 from the State School Fund to the department for this purpose. Audits have been conducted on a voluntary basis through a contract with the Secretary of State.