

DRAFT

SUMMARY

Digest: Directs ODE to make a single report of district and school audit findings. (Flesch Readability Score: 69.9).

Directs the Department of Education to prepare and distribute a report that compiles the audit findings for school districts, education service districts and public charter schools.

A BILL FOR AN ACT

Relating to education audit reports; amending ORS 327.137.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 327.137 is amended to read:

327.137. (1)(a) Every common or union high school district or education service district shall file a copy of its audit report with the Department of Education within six months of the end of the fiscal year for which the audit is required. The audit report shall include:

(A) Information necessary for the computation required in the administration of ORS 327.006 to 327.133, 327.348, 327.356 to 327.359, 327.731, 328.542 and 530.115 and this section; and

(B) If the district is a sponsor of any public charter schools, a copy of each annual audit forwarded to the district as required by ORS 338.095 (4).

(b) If the audit report, as submitted to the district, fails to provide the detail necessary for the computation required in the administration of ORS 327.006 to 327.133, 327.348, 327.356 to 327.359, 327.731, 328.542 and 530.115 and this section, the district shall submit the necessary information on forms provided by the department within the time prescribed for filing the audit in this section.

1 (c) The Superintendent of Public Instruction may withhold any payments
2 from the State School Fund for a public charter school that, pursuant to ORS
3 338.155, are due to a district under ORS 327.095 if:

4 (A) The audit report filed by the district fails to include the public char-
5 ter school annual audit as required by paragraph (a)(B) of this subsection;
6 and

7 (B) The district has not filed the public charter school annual audit with
8 the department by April 1.

9 (d) If payments are withheld as provided by paragraph (c) of this sub-
10 section, the superintendent may allow payments to be made from the State
11 School Fund to the district upon receipt of the annual audit or upon the
12 meeting of any other conditions identified by rule of the State Board of Ed-
13 ucation.

14 (e) Any district failing to file a copy of an audit report under this section
15 or a report under ORS 327.133 may not receive any payments from the State
16 School Fund until the report is filed.

17 (2) Notwithstanding the timeline provided by **subsection (1) of this sec-**
18 **tion and pursuant to rules adopted by the State Board of Education, the su-**
19 **perintendent may waive a reporting date or specify an alternative date to**
20 **provide the audit report or information if a human-created disaster or a na-**
21 **tural disaster affects the ability of a school district or an education service**
22 **district to provide the audit report or information by a specified date.**

23 **(3)(a) The department shall compile findings from the audit reports**
24 **submitted to the department under subsection (1) of this section. The**
25 **department shall compile the findings in a single report that allows for**
26 **transparency and accountability and that:**

27 **(A) Includes the findings from the audit reports for all districts and**
28 **public charter schools in this state; and**

29 **(B) Identifies the district or public charter school to which a finding**
30 **is attributable.**

31 **(b) Each district and public charter school shall be allowed the op-**

1 **portunity to respond to the findings from an audit report. The de-**
2 **partment shall include the responses with the findings in the report**
3 **prepared by the department under this subsection.**

4 **(c) The department shall annually submit the report prepared under**
5 **this subsection to:**

6 **(A) The Legislative Fiscal Officer;**

7 **(B) The members of the education subcommittee of the Joint**
8 **Committee on Ways and Means or the Joint Interim Committee on**
9 **Ways and Means, as appropriate; and**

10 **(C) The members of the committees or interim committees, as ap-**
11 **propriate, of the Legislative Assembly related to education.**

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