

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
89th General Assembly
Regular Session, 2013

As Engrossed: H3/28/13
A Bill

HOUSE BILL 2128

By: Representative Hammer

For An Act To Be Entitled

AN ACT TO REVISE AND SIMPLIFY THE TRACKING OF AND ACCOUNTING FOR INTERSCHOLASTIC ATHLETIC PROGRAMS AND INTERSCHOLASTIC ACTIVITY PROGRAM FUNDS; AND FOR OTHER PURPOSES.

Subtitle

TO REVISE AND SIMPLIFY THE TRACKING OF AND ACCOUNTING FOR INTERSCHOLASTIC ATHLETIC PROGRAMS AND INTERSCHOLASTIC ACTIVITY PROGRAM FUNDS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 6-20-2002(1), concerning the definition of "athletic expenditures" for the purpose of tracking and accounting interschool athletic program funds, is amended to read as follows:

(1) "Athletic expenditures" means all direct ~~and indirect~~ expenses related to interschool athletic programs, ~~prorated if necessary,~~ including, but not limited to including without limitation:

(A) The proportion of salaries or supplemental pay for staff for or related to interschool athletic programs or organized physical activity courses as provided under § 6-16-137, or both;

(B) All fringe benefits, ~~including, but not limited to,~~ without limitation medical and dental insurance, workers' compensation, pension plans, and any other costs associated with employment of staff for interschool athletic programs;

(C) Travel, including bus-related operation and



maintenance, to and from any interschool athletic program event for students, faculty, spirit groups, band, or patrons of the school district;

(D) Equipment;

(E) Meals;

(F) Supplies; and

~~*(G) Property and medical insurance;*~~

~~*(H)(G) Medical expenses;*~~

~~*(I) Utilities; and*~~

~~*(J) Maintenance of facilities related to interschool athletic teams and spirit groups, excluding bands;*~~

SECTION 2. Arkansas Code § 6-20-2003 is amended to read as follows:

6-20-2003. Certification Reporting by local school ~~district board of directors~~ districts.

~~*(a) Annually by September 15 of each year, the local school board of directors of each school district shall:*~~

~~*(1) In a written report, certify to the State Board of Education:*~~

~~*(A) For the previous school year, the amount of the district's total athletic expenditures for interschool athletic programs that were paid from state funds; and*~~

~~*(B) For the upcoming school year, the district's total athletic expenditures budgeted for interschool athletic programs that are to be paid from state funds;*~~

~~*(2) Provide the state board with a report of the school district's total athletic expenditures paid from state funds in a format approved by the state board or the Department of Education for the previous school year;*~~

~~*(3) Provide the state board with a budget for the athletic expenditures to be paid from state funds as set forth under subdivision (a)(1)(B) of this section for the upcoming year; and*~~

~~*(4) Provide the state board and the department with any additional information or documentation requested.*~~

~~*(b)(1) Any school district failing to comply with the provisions of this subchapter and the rules adopted by the state board for the implementation of this subchapter shall be identified by the department to be*~~

~~a school in fiscal distress in accordance with the Arkansas Fiscal Assessment and Accountability Program, § 6-20-1901 et seq.~~

~~(2) Any report required by this subchapter shall be subject to a yearly audit that shall be filed as set forth under § 6-20-1801 et seq.~~

~~(3)(A) The Division of Legislative Audit shall conduct a review of any report required by this subchapter to determine compliance with this subchapter and any rule established by the department in accordance with § 6-20-2004.~~

~~(B) The division shall conduct the review under this subdivision (b)(3) annually on a rotating basis so that each public school district is evaluated at least one (1) time every five (5) years.~~

~~(C) If the division determines that it has insufficient staffing to conduct the scheduled reviews under this subdivision (b)(3) in a given year, the executive committee of the Legislative Joint Auditing Committee may establish the priority and number of public school districts that can reasonably be reviewed with available staff resources for the given year.~~

(a) During the appropriate Arkansas Public School Computer Network reporting cycle each year, a school district shall submit appropriate data to the Department of Education documenting the school district's total athletic expenditures paid from state funds.

(b) Annually, each school district shall submit as part of the budget of expenditures and receipts required under § 6-20-2202, a budget for the total athletic expenditures to be paid from state funds for the budgeted year.

SECTION 3. Arkansas Code § 6-20-2004 is amended to read as follows:
6-20-2004. Regulations.

~~(a) The State Board of Education shall~~ may promulgate any rules necessary for the implementation of this subchapter.

~~(b) The rules shall include a procedure to be developed by the Department of Education to ensure uniform reporting of athletic expenditures.~~

SECTION 4. Arkansas Code § 6-20-2102(3), concerning the definition of "interschool scholastic activity expenditures", is amended to read as follows:

(3) *“Interschool scholastic activity expenditures” means all direct ~~and indirect~~ expenses related to interschool scholastic activities, prorated if necessary, including, but not limited to including without limitation:*

(A) *Salaries or supplemental pay for staff for interschool scholastic activities ~~or organized physical activity courses as provided under § 6-16-137, or both~~, excluding salaries received for duties as a classroom teacher;*

(B) *All fringe benefits, including, but not limited to, medical and dental insurance, workers’ compensation, pension plans, and any other costs associated with employment of staff for interschool scholastic activities;*

(C) *Travel, including bus-related operation and maintenance;*

(D) *Equipment;*

(E) *Meals;*

(F) *Supplies; and*

~~(G) Property and medical insurance;~~

~~(H)(G) Medical expenses;~~

~~(I) Utilities; and~~

~~(J) Maintenance of facilities related to interschool scholastic activities; and~~

SECTION 5. Arkansas Code § 6-20-2103 is amended to read as follows:

6-20-2103. Certification Reporting by ~~local district school board of directors~~ school districts.

~~(a) Annually by September 15 of each year, the local school board of directors of each school district shall:~~

~~(1) In a written report, certify to the State Board of Education:~~

~~(A) For the previous school year, the amount of the district’s total interschool scholastic activity expenditures that were paid from state funds; and~~

~~(B) For the upcoming school year, the school district’s total budgeted interschool scholastic activity expenditures to be paid from state funds;~~

~~(2) Provide the state board with a report of the school district's total interschool scholastic activity expenditures paid from state funds in a format approved by the state board or the Department of Education for the previous school year;~~

~~(3) Provide the state board with a budget for the interschool scholastic activity expenditures to be paid from state funds as set forth under subdivision (a)(1)(B) of this section for the upcoming year; and~~

~~(4) Provide the state board and the department with any additional information or documentation requested.~~

~~(b)(1) Any school district failing to comply with the provisions of this subchapter and the rules adopted by the state board for the implementation of this subchapter shall be identified by the department to be a school in fiscal distress in accordance with the Arkansas Fiscal Assessment and Accountability Program, § 6-20-1901 et seq.~~

~~(2) Any report required by this subchapter shall be subject to a yearly audit which shall be filed as set forth under § 6-20-1801 et seq.~~

(a) During the appropriate Arkansas Public School Computer Network reporting cycle each year, a school district shall submit data to the Department of Education documenting the school district's total interschool scholastic activity expenditures paid from state funds.

(b) Annually, each school district shall submit as part of the budget of expenditures and receipts required under § 6-20-2202, a budget for the total interschool scholastic activity expenditures to be paid from state funds for the budgeted year.

SECTION 6. Arkansas Code § 6-20-2104 is amended to read as follows:

6-20-2104. Rules.

~~(a) The State Board of Education shall may promulgate any rules necessary for the implementation of this subchapter.~~

~~(b) The rules shall include a procedure to be developed by the Department of Education to ensure uniform reporting of interschool scholastic activity expenditures.~~

/s/Hammer