

MINUTES OF THE HOUSE EDUCATION BUDGET COMMITTEE

The meeting was called to order by Chairman Joe McLeland at 3:30 p.m. on March 11, 2009, in Room 531-N of the Capitol.

All members were present.

Committee staff present:

Theresa Kiernan, Office of the Revisor of Statutes
Reagan Cussimano, Kansas Legislative Research Department
Dee Heideman, Committee Assistant

Conferees appearing before the Committee:

Scott Frank, Manager, Performance Audits, Legislative Division of Post Audit
Lana Gordon, State Legislator, District 52
Steve Iliff, Certified Public Accountant
Jim Edwards, Assistant Executive Director, Kansas Association of School Boards
Gary George, Assistant Superintendent, USD 233
Rob Balsters, Past President, United School Administrators

HB 2239 - School districts; uniform accounting system for the recording and reporting of receipts and expenditures.

After the chair called the meeting to order, Theresa Kiernan of the Revisor's office gave a short summary explanation of this bill. ([Attachment 1](#))

Scott Frank, Legislative Division of Post Audit, gave a neutral background of **HB 2239**. (See Performance Audit Report, Limited-Scope Audit, K-12 Education: Comparing the Centralization of School District Accounting in Different States dated February 2007 in the Legislative Division of Post Audit)

Representative Gordon gave her reasons for supporting this bill, stating since school financing consists of more than 51% of the state's budget, it would be beneficial for purposes of comparison, to have a uniform accounting and reporting system in all school districts. ([Attachment 2](#))

Another proponent, Steve, Iliff, Certified Public Accountant, stated the purpose of accounting systems is to communicate financial information about an organization, and for years, legislators have expressed concerns that it is difficult to meaningfully compare expenditures for different school districts. ([Attachment 3](#))

One opponent, Jim Edwards, Kansas Association of School Boards, opposes this bill because there are already these reporting systems in place and adding another one would become one more item which would add to administrative costs and remove those funds from the classroom. Included with Mr. Edward's testimony were two examples of reports and also a list of websites where accounting and reporting information can be obtained. ([Attachment 4](#))

Gary George, Olathe School District, gave these reasons for his opposition to this bill: 1) purpose is not clear, 2) costs of implementation, 3) time-line unrealistic, 4) does not address complexity of school accounting. ([Attachment 5](#))

United School Administrators of Kansas opponent, Rob Balsters, is against this bill because it presents a very expensive and inefficient solution to a problem that doesn't exist. ([Attachment 6](#))

CONTINUATION SHEET

Minutes of the House Education Budget Committee at 3:30 p.m. on March 11, 2009, in Room 531-N of the Capitol.

Written testimony supporting why she opposed **HB 2239** was presented by Diane Gjerstad, Wichita Public Schools. She stated schools already have uniform accounting standards. The proposed system would be be costly and greatly expand school budgets. (Attachment 7)

Several committee members agreed that even though there are various different reports on the internet that can be pulled-up, there is no way to manipulate these numbers in order to compare one school district or several school districts to others.

After each conferee was open for questions, and all questions were answered the hearing on **HB 2239** was closed.

The next meeting is scheduled for March 16, 2009.

The meeting was adjourned at 05:12 p.m.