

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 342 Session of
2007

INTRODUCED BY BARRAR, CALTAGIRONE, CAPPELLI, CLYMER AND
HENNESSEY, FEBRUARY 9, 2007

REFERRED TO COMMITTEE ON EDUCATION, FEBRUARY 9, 2007

AN ACT

1 Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An
2 act relating to the public school system, including certain
3 provisions applicable as well to private and parochial
4 schools; amending, revising, consolidating and changing the
5 laws relating thereto," further providing for reports to
6 Department of Education and for financial reports.

7 The General Assembly of the Commonwealth of Pennsylvania
8 hereby enacts as follows:

9 Section 1. Section 218 of the act of March 10, 1949 (P.L.30,
10 No.14), known as the Public School Code of 1949, added May 10,
11 2000 (P.L.44, No.16), is amended to read:

12 Section 218. Reports to Department of Education.--All
13 financial accounting and reporting by school districts to the
14 Department of Education shall be in accordance with generally
15 accepted accounting and reporting standards[.], except for the
16 annual financial report. The Department of Education shall
17 establish a reporting standard for the annual financial report.
18 The standard shall conform to fund level reporting criteria
19 only, and will be an allowed other comprehensive basis of

1 accounting. For purposes of this section, an "other
2 comprehensive basis of accounting" shall mean a basis of
3 accounting, other than generally accepted accounting principles,
4 that an entity uses to report its assets, liabilities, equity,
5 revenues and expenses.

6 Section 2. Section 921-A of the act, amended July 11, 2006
7 (P.L.1092, No.114), is amended to read:

8 Section 921-A. Financial Reports.--An annual financial
9 report shall be submitted to the Secretary of Education by each
10 intermediate unit not later than the 31st day of October,
11 together with an auditor's report prepared by an independent
12 auditor who shall be a certified public accountant or other
13 competent public accountant. All financial accounting and
14 reporting by intermediate units to the Department of Education
15 shall be in accordance with generally accepted accounting and
16 reporting standards[.], except for the annual financial report.
17 The Department of Education shall establish a reporting standard
18 for the annual financial report. The standard shall conform to
19 fund level reporting criteria only, and will be an allowed other
20 comprehensive basis of accounting. For purposes of this section,
21 an "other comprehensive basis of accounting" shall mean a basis
22 of accounting, other than generally accepted accounting
23 principles, that an entity uses to report its assets,
24 liabilities, equity, revenues and expenses.

25 Section 3. This act shall take effect July 1, 2007, or
26 immediately, whichever is later.