

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 933 Session of 2011

INTRODUCED BY FOLMER, RAFFERTY, BAKER, WARD, ALLOWAY, BROWNE,
WILLIAMS, BREWSTER, MENSCH, EARLL, BRUBAKER AND FARNESE,
APRIL 6, 2011

REFERRED TO EDUCATION, APRIL 6, 2011

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, for subsidies for services and for
7 financial reports.

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

10 Section 1. Section 218 of act of March 10, 1949 (P.L.30,
11 No.14), known as the Public School Code of 1949, amended
12 November 17, 2010 (P.L.996, No.104), is amended to read:

13 Section 218. Reports to Department of Education.--(a) An
14 annual financial report shall be submitted to the Secretary of
15 Education by each school district, intermediate unit, charter
16 school, cyber charter school and area vocational-technical
17 school not later than the 31st day of October. All financial
18 accounting and reporting by school districts, intermediate
19 units, charter schools, cyber charter schools and area
20 vocational-technical schools to the Department of Education

1 shall be in accordance with generally accepted accounting and
2 reporting standards, except that management discussion and
3 analysis and related notes and the following financial
4 statements shall not be required components of the annual
5 financial report: entity-wide financial statements, including
6 the statement of activities and the statement of net assets; the
7 reconciliation of the balance sheet - governmental funds to
8 statement of net assets; and the reconciliation of the statement
9 of revenues, expenditures and changes in fund balances -
10 governmental funds to statement of activities. The Department of
11 Education shall establish a reporting standard for the annual
12 financial report.

13 (b) The chief school administrator and board secretary of a
14 school district, intermediate unit, charter school, cyber
15 charter school or area vocational-technical school shall submit
16 a signed statement to the Department of Education not later than
17 the 31st day of December of each year certifying that: the
18 audited financial statements of the school district,
19 intermediate unit, charter school, cyber charter school or area
20 vocational-technical school have been properly audited pursuant
21 to Article XXIV and that in the independent auditor's
22 professional opinion, the financial information submitted in the
23 annual financial report was materially consistent with the
24 audited financial statements.

25 (c) If the financial information submitted in the annual
26 financial report was not materially consistent with the audited
27 financial statements, the school district, intermediate unit,
28 charter school, cyber charter school or area vocational-
29 technical school shall submit a revised annual financial report
30 to the Department of Education not later than the 31st day of

1 December.

2 (d) The Department of Education shall order the forfeiture
3 penalties provided for under section 2552.1(a.1) against a
4 school district, intermediate unit, charter school, cyber
5 charter school or area vocational-technical school for failure
6 to timely submit an annual financial report or revised annual
7 financial report.

8 Section 2. Section 907-A of the act, added May 4, 1970
9 (P.L.311, No.102), is amended to read:

10 Section 907-A. Subsidies for Services.--(a) Intermediate
11 units shall receive subsidies from the Commonwealth as herein
12 provided only for services performed pursuant to and authorized
13 by law, as hereinafter provided. Nothing contained herein shall
14 prohibit intermediate units from receiving funds from school
15 districts and other sources including nonpublic nonprofit
16 schools and expending such funds to provide additional services
17 not included in the approved program of services.

18 (b) No later than February 1, 2012, the intermediate units
19 shall submit to the Department of Education a report on
20 subsidies and funds received in accordance with this section.

21 (1) The report shall include, but not be limited to, the
22 following information:

23 (i) A listing of all contracts, interagency
24 agreements and purchase orders executed by a Commonwealth
25 agency with each intermediate unit.

26 (ii) The total amount and duration of each item
27 under subparagraph (i), including the annual amount if
28 the item covers multiple years.

29 (iii) The source, or sources, and amounts of funds
30 needed to cover the entire cost of each item.

1 (iv) A description of programs or services, or both,
2 being provided, including performance measures by which
3 each intermediate unit will be assessed and penalties for
4 nonperformance, if any.

5 (v) A description of the selection process used in
6 entering into the arrangement.

7 (vi) A listing of all employees, contractors and
8 agents covered under the contracts, the duties of each
9 and the remuneration provided under the contract.

10 (2) The Department of Education shall develop the format
11 to be used by the intermediate units in the collection of the
12 information under paragraph (1).

13 (3) The Department of Education shall post the reports
14 on its Internet website.

15 (4) The first report shall cover fiscal year 2009-2010.

16 Section 3. Section 921-A of the act is amended by adding a
17 subsection to read:

18 Section 921-A. Financial reports.--* * *

19 (a.1) The Department of Education shall post on its Internet
20 website, in the format consistent with those already posted for
21 the other local education agencies, information included in the
22 intermediate units' annual financial reports.

23 * * *

24 Section 4. This act shall take effect immediately.