

The Senate Education and Youth Committee offered the following substitute to HB 962:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 3 of Chapter 2 of Title 20 of the Official Code of Georgia Annotated,  
2 relating to local boards of education, so as to require public notice of a budget deficit or  
3 irregularities within three business days; to require notification of the superintendent of  
4 budget deficits identified at the local level; to provide for related matters; to repeal  
5 conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

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8 Article 3 of Chapter 2 of Title 20 of the Official Code of Georgia Annotated, relating to local  
9 boards of education, is amended by revising Code Section 20-2-67, relating to local school  
10 system or school subject to corrective action plan for budget deficit, as follows:

11 "20-2-67.

12 (a) When an audit by the Department of Audits and Accounts finds and reports  
13 irregularities or budget deficits in the fund accounting information regarding a local school  
14 system or a school within the local school system, the Department of Audits and Accounts  
15 shall report the findings of irregularities or budget deficits to the State Board of Education  
16 and the local board of education.

17 (b) The State Board of Education shall inform the superintendent of the local school  
18 system of the irregularities or budget deficits regarding a local school system's or a  
19 school's fund accounting information. Within three business days of notice to the  
20 superintendent of the irregularities or budget deficits, the superintendent and the  
21 chairperson of the local board shall cause to be published in the official county organ and  
22 a newspaper having the largest general circulation in the county or municipality in which  
23 the local school system is located once a week for two consecutive weeks a notice of such  
24 irregularities or budget deficits; provided, however, that such notice shall not be placed in  
25 the section of the newspaper where legal notices appear. The superintendent shall submit  
26 to the Department of Education a response to the findings and a corrective action plan as

1 defined by rules and regulations adopted by the State Board of Education designed to  
 2 correct the ~~financial~~ irregularities or budget deficits for the school or school system. From  
 3 the time such irregularity or budget deficit is discovered until the time it is eliminated, the  
 4 local school superintendent shall present to each member of the local board of education  
 5 for his or her review and written acknowledgment a monthly report containing all  
 6 anticipated expenditures by budget function for such school or school system during the  
 7 current month. The report shall be presented to local board members on or before the tenth  
 8 business day of each month. Each monthly report shall be signed by each member of that  
 9 local board and recorded and retained in the minutes of the meeting of the local board of  
 10 education.

11 (c) Not later than September 30 of the year, each local board of education shall cause to  
 12 be published in ~~the official county organ wherein~~ the official county organ and a newspaper  
 13 having the largest general circulation in the county or municipality in which the local  
 14 school system is located once a week for two weeks a statement of actual financial  
 15 operations for such schools or school system identified by the Department of Audits and  
 16 Accounts as having ~~financial~~ irregularities; provided, however, that such notice shall not  
 17 be placed in the section of the newspaper where legal notices appear. Such statement of  
 18 actual financial operations shall be in a form to be specified and prescribed by the state  
 19 auditor for the purpose of indicating the current financial status of the schools or school  
 20 system. Prior to publication, such form shall be executed by the local board of education  
 21 and signed by each member of said board and the local school superintendent.

22 (d) A copy of the actual financial operations form required to be published by subsection  
 23 (c) of this Code section shall be mailed by each local board of education to the Department  
 24 of Education and the local county board of commissioners or local municipal governing  
 25 authority. A current copy of said form shall be maintained on file in the central  
 26 administrative office of the local school system for public inspection for a period of at least  
 27 two years from the date of its publication. Copies of the statement shall be made available  
 28 on request."

## 29 SECTION 2.

30 Said article is further amended by adding a new Code section to read as follows:

31 "20-2-67.1.

32 In the event the chief financial officer or other person acting in that capacity of any local  
 33 school system becomes aware of an unapproved budget deficit regarding a local school  
 34 system's or a school's fund accounting information at the local level, such person shall  
 35 inform the superintendent of that local school system within three business days of such  
 36 deficit. Within three business days of notice to the superintendent of the unapproved

1 budget deficit, the superintendent and the chairperson of the local board shall cause to be  
2 published in the official county organ and a newspaper having the largest general  
3 circulation in the county or municipality in which the local school system is located once  
4 a week for two consecutive weeks a notice of such budget deficit; provided, however, that  
5 such notice shall not be placed in the section of the newspaper where legal notices appear."

6 **SECTION 3.**

7 All laws and parts of laws in conflict with this Act are repealed.