

SENATE BILL NO. 267

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - SECOND SESSION

BY SENATOR BJORKMAN

Introduced: 2/23/26

Referred: Education, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to powers and duties of the Legislative Budget and Audit Committee;**
2 **relating to public school financial information and audits; and establishing a public**
3 **school financial data Internet website."**

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 * **Section 1.** AS 14.03.078(a) is amended to read:

6 (a) The department shall provide to the legislature and school districts by
7 February 15 of each year by electronic means an annual report regarding the progress
8 of each school and school district toward high academic performance by all students.
9 The report required under this section must include

10 (1) information described under AS 14.03.120;

11 (2) progress of the department

12 (A) toward implementing the school accountability provisions
13 of AS 14.03.123; and

14 (B) in assisting high schools to become accredited;

1 (3) a description of the resources provided to each school and school
 2 district for coordinated school improvement activities and staff training in each school
 3 and school district;

4 (4) each school district's and each school's progress in aligning
 5 curriculum with state education performance standards;

6 (5) a description of the efforts by the department to assist a public
 7 school or district that receives a low performance designation under AS 14.03.123;

8 (6) a description of intervention efforts by each school district and
 9 school for students who are not meeting state performance standards;

10 (7) the number and percentage of turnover in certificated personnel and
 11 superintendents;

12 (8) a summary of the categories of certificated administrative
 13 employees employed by each school district that includes the ratio of

14 (A) the number of certificated administrative employees in
 15 each category employed by each school district compared to the number of
 16 students enrolled in the school district on October 1 of the previous year;

17 (B) the total number of certificated administrative employees
 18 employed by each school district compared to the total number of teachers
 19 employed by the school district on October 1 of the previous year; and

20 (C) the total number of teachers employed by each school
 21 district compared to the total number of students enrolled in the school district
 22 on October 1 of the previous year;

23 (9) the progress made to implement the reading intervention programs
 24 established under AS 14.30.760 - 14.30.780, including data on how school districts are
 25 using in-service days for culturally responsive professional development in reading
 26 instruction; [AND]

27 (10) the effectiveness and participation rates of the parents as teachers
 28 program established under AS 14.03.420, including measures of efficiency and
 29 effectiveness that demonstrate the effects of the program on school readiness; **and**

30 **(11) a link to the public school financial data Internet website of**
 31 **the Legislative Budget and Audit Committee established under AS 24.20.207.**

1 * **Sec. 2.** AS 14.14.050(a) is amended to read:

2 (a) The school board in each school district shall, before October 1 of each
3 year, provide for an audit of all school accounts for the school year ending the
4 preceding June 30. To make the audit the school board shall contract with a public
5 accountant who has no personal interest, direct or indirect, in the fiscal affairs of the
6 district. One certified copy of the audit shall be filed with the **Legislative Budget and**
7 **Audit Committee, one certified copy shall be filed with the** commissioner, and one
8 certified copy shall be posted in a public place at the principal administrative office of
9 the district.

10 * **Sec. 3.** AS 14.14.050(b) is amended to read:

11 (b) The audit shall conform in form to requirements established by the
12 **Legislative Budget and Audit Committee. The Legislative Budget and Audit**
13 **Committee shall inform the commissioner if a school district fails to file a**
14 **certified copy of the audit with the Legislative Budget and Audit Committee**
15 [COMMISSIONER]. The commissioner shall withhold all payments of state funds
16 after November 15 to a school district that fails to file a certified copy of the audit with
17 the **Legislative Budget and Audit Committee** [DEPARTMENT].

18 * **Sec. 4.** AS 14.14.050(c) is amended to read:

19 (c) The **Legislative Budget and Audit Committee** [COMMISSIONER] may
20 provide for a reaudit or an audit check in a school district if [IN] the **Legislative**
21 **Budget and Audit Committee determines** [COMMISSIONER'S JUDGMENT] it is
22 necessary to substantiate the reported expenditures.

23 * **Sec. 5.** AS 14.17.505 is amended to read:

24 **Sec. 14.17.505. Fund balance in school operating fund.** (a) A district may
25 not accumulate in a fiscal year an unreserved portion of its year-end fund balance in its
26 school operating fund, as **categorized by the uniform revenue and expenditure**
27 **fund codes and function codes described in AS 24.20.207(a)(1)(B)** [DEFINED BY
28 DEPARTMENT REGULATIONS], that is greater than 10 percent of its expenditures
29 for that fiscal year.

30 (b) The **Legislative Budget and Audit Committee** [DEPARTMENT] shall
31 review each district's annual audit under AS 14.14.050 for the preceding fiscal year to

ascertain its year-end operating fund balance. The **Legislative Budget and Audit Committee shall determine the** amount by which the unreserved portion of that balance exceeds the amount permitted in (a) of this section, **and shall inform the department of the amount. The department shall deduct the amount** [BE DEDUCTED] from the state aid that would otherwise be paid to the district in the current fiscal year.

* **Sec. 6.** AS 24.20 is amended by adding a new section to read:

Sec. 24.20.207. Public school financial data Internet website. (a) The Legislative Budget and Audit Committee shall develop, operate, and maintain a searchable Internet website that provides financial information available from each school district's annual audit filed under AS 14.14.050(a). The committee shall, not later than February 15 of each year, provide on the Internet website, at a minimum,

(1) financial information from the audits for each of the preceding 10 fiscal years; the financial information must be

(A) provided in the form of tables, charts, graphs, or other formats that are easily understood;

(B) categorized using uniform revenue and expenditure fund codes and function codes; and

(C) sortable by fiscal year, school district, school, fund code, and function code;

(2) reference materials to assist the public in understanding the financial information provided on the website, including a description of the fund codes and function codes used;

(3) a comprehensive report of each school district's operating fund budget and actual operating fund expenditures, including

(A) the committee's determination of the school district's year-end operating fund balance under AS 14.17.505(b) and the amount by which the unreserved portion of that balance exceeds the amount permitted under AS 14.17.505(a);

(B) all reserved or committed funds, including encumbrances, inventory, and prepaid expenses; and

1 (C) funds held in reserve for self-insurance or risk
2 management; and

3 (4) a tool that allows a user of the Internet website to compare

4 (A) the school district's operating fund expenditures by
5 function code;

6 (B) a school's per pupil expenditures with the per pupil
7 expenditures of other schools in a district; and

8 (C) the school district's operating fund expenditures

9 (i) for instructional functions with the school district's
10 operating fund expenditures for noninstructional functions; and

11 (ii) for certificated personnel with the school district's
12 operating fund expenditures for classified personnel.

13 (b) The uniform revenue and expenditure fund codes and function codes
14 described in (a)(1)(B) of this section must, at a minimum, categorize the following
15 costs by specific fund code or function code:

16 (1) district administration, including specific fund codes and function
17 codes for

18 (A) executive administration;

19 (B) business services; and

20 (C) centralized data processing;

21 (2) technology, including specific fund codes and function codes for

22 (A) hardware;

23 (B) software licensing;

24 (C) instructional technology support; and

25 (D) infrastructure maintenance;

26 (3) utilities, including specific fund codes and function codes for

27 (A) heating oil;

28 (B) electricity;

29 (C) water; and

30 (D) sewer;

31 (4) building maintenance, including specific fund codes and function

1 codes for

2 (A) routine repairs;

3 (B) custodial services;

4 (C) groundskeeping; and

5 (D) long-term facility preservation efforts; and

6 (5) operations, including specific fund codes and function codes for

7 (A) employee base salaries;

8 (B) the school district's contribution to employee health care
9 insurance premiums;

10 (C) the school district's contribution to employee health savings
11 accounts;

12 (D) other employee benefits;

13 (E) property insurance;

14 (F) liability insurance;

15 (G) workers' compensation insurance;

16 (H) motor vehicle insurance;

17 (I) building rental expenses;

18 (J) custodial and maintenance supplies; and

19 (K) the school district's proportionate share of the payments
20 made by the state for the teachers' retirement system and the public employees'
21 retirement system.

22 (c) The Internet website and the materials posted on the Internet website must
23 be accessible to the public at no cost.

24 (d) Nothing in this section requires disclosure of information that is
25 confidential under state or federal law. However, the committee shall provide
26 aggregated or summarized information describing confidential revenue and
27 expenditures if the aggregated or summarized information protects confidentiality.

28 * **Sec. 7.** The uncodified law of the State of Alaska is amended by adding a new section to
29 read:

30 **TRANSITION: FINANCIAL INFORMATION FOR PRECEDING FISCAL YEARS.**

31 (a) Notwithstanding the requirement in AS 24.20.207(a)(1), enacted by sec. 6 of this Act, that

1 the Legislative Budget and Audit Committee provide on the Internet website established
2 under AS 24.20.207(a), enacted by sec. 6 of this Act, financial information available from
3 each school district's annual audit filed under AS 14.14.050(a) for each of the preceding 10
4 fiscal years, the committee shall

5 (1) not later than February 15, 2028, provide the information for the preceding
6 fiscal year;

7 (2) not later than February 15, 2029, provide the information for the preceding
8 two fiscal years;

9 (3) not later than February 15, 2030, provide the information for the preceding
10 three fiscal years;

11 (4) not later than February 15, 2031, provide the information for the preceding
12 four fiscal years;

13 (5) not later than February 15, 2032, provide the information for the preceding
14 five fiscal years;

15 (6) not later than February 15, 2033, provide the information for the preceding
16 six fiscal years;

17 (7) not later than February 15, 2034, provide the information for the preceding
18 seven fiscal years;

19 (8) not later than February 15, 2035, provide the information for the preceding
20 eight fiscal years; and

21 (9) not later than February 15, 2036, provide the information for the preceding
22 nine fiscal years.