

A-Engrossed
Senate Bill 1053

Ordered by the Senate June 28
Including Senate Amendments dated June 28

Sponsored by COMMITTEE ON RULES

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

[Prohibits school districts from budgeting for ending unreserved funds balance of greater than _____ percent of total budget.]

Directs school district boards to adopt budget policy that specifies amount of district's general fund that district may carry over at end of fiscal year to next fiscal year. Requires that district submit explanation to Department of Education if amount carried over is less than or more than amount specified in policy. Applies to budgets prepared for fiscal years beginning July 1, 2006.

A BILL FOR AN ACT

1
2 Relating to local education budgets.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. (1) Each school district board shall adopt a policy on the budget of the school**
5 **district that specifies the percentage or percentage range of the school district's general**
6 **fund that the school district may carry over as an ending balance of the general fund at the**
7 **end of a fiscal year to the next fiscal year. A board may not change a policy adopted under**
8 **this section that applies to the budget of the school district adopted for the fiscal year during**
9 **that fiscal year.**

10 **(2) The board shall include a copy of the policy adopted under this section with any**
11 **budget documents or budget summaries made available to the public by the board.**

12 **(3) A school district shall submit an explanation to the Department of Education if the**
13 **amount the school district carried over as an ending balance of the general fund is:**

14 **(a) Less than 90 percent or more than 110 percent of the amount allowed based on the**
15 **percentage specified in the policy adopted under this section; or**

16 **(b) Less than 90 percent of the amount allowed based on the lower percentage of the**
17 **percentage range specified in the policy adopted under this section or more than 110 percent**
18 **of the amount allowed based on the upper percentage of the percentage range specified in**
19 **the policy adopted under this section.**

20 **(4) The department shall post on the website of the department the budgets of all school**
21 **districts and any explanatory statements received under subsection (3) of this section.**

22 **SECTION 2. Section 1 of this 2005 Act applies to budgets prepared by school districts for**
23 **fiscal years beginning on or after July 1, 2006.**

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NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.