

AFR Simplification Language in HB 101

Section 218. Reports to Department of Education.--(a) An annual financial report shall be submitted to the Secretary of Education by each school district, charter school, cyber charter school and area vocational-technical school not later than the 31st day of October. All financial accounting and reporting by school districts, charter schools, cyber charter schools and area vocational-technical schools to the Department of Education shall be in accordance with generally accepted accounting and reporting standards, except that management discussion and analysis and related notes and the following financial statements shall not be required components of the annual financial report: entity-wide financial statements, including the statement of activities and the statement of net assets; the reconciliation of the balance sheet - governmental funds to statement of net assets; and the reconciliation of the statement of revenues, expenditures and changes in fund balances - governmental funds to statement of activities. The Department of Education shall establish a reporting standard for the annual financial report.

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

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

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