



*Colorado Legislative Council Staff Fiscal Note*  
**FINAL**  
**FISCAL NOTE**

**Drafting Number:** LLS 09-0466  
**Prime Sponsor(s):** Sen. Harvey  
 Rep. Stephens

**Date:** May 15, 2009  
**Bill Status:** Postponed Indefinitely  
**Fiscal Analyst:** David Porter (303-866-4375)

**TITLE:** CONCERNING SEARCHABLE BUDGET DATABASE WEB SITES CONTAINING PUBLIC EDUCATION FINANCIAL INFORMATION, AND, IN CONNECTION THEREWITH, ENACTING THE "PUBLIC SCHOOL FINANCIAL TRANSPARENCY ACT".

<b>Fiscal Impact Summary</b>	<b>FY 2009-2010</b>	<b>FY 2010-2011</b>
<b>State Revenue</b>		
<b>State Expenditures</b>		
<b>FTE Position Change</b>		
<b>Effective Date:</b> The bill was postponed indefinitely by the House Education Committee on March 19, 2009.		
<b>Appropriation Summary for FY 2009-2010:</b> None required.		
<b>School District Impact:</b> See School District Impact section.		

**Summary of Legislation**

Under this bill, local education providers (school districts, charter schools, and Boards of Cooperative Services) are required to post financial information on an online searchable budget database on a monthly basis. Information provided by the database must be public record and not confidential. Revenue information should include the amount and source of moneys received by the district. Information about expenses is to include the following: the name and location of the payee (except when the payee is an employee of the district), the amount spent, the funding source, and the program name or budget activity for which the money is designated.

The database must be implemented by September 1, 2011. An exception is made for education providers that do not have a regularly updated website as of January 1, 2009. In these cases, the reporting requirements are applicable upon creation of a website.

### **School District Impact**

Costs to implement an online financial data system will vary for each district based on current budget and accounting systems being employed, the difficulty in extracting data into a format that meets the bill's requirements, and the website design needed. Some local education providers will have almost no costs to implement the provisions of this bill as they either already provide the information online or current systems only need minor modifications to comply. For local education providers that require a more significant change to its financial data system, developing a tool to publish information online is estimated to require up to 160 hours of work by a contractor. At \$74 per hour, implementation of each financial data system will cost up to \$11,840. In total, this bill impacts 178 school districts, 148 charter schools, 21 BOCES, and 1 State Charter School Institute.

Staff time may also be required to verify financial data and post the data to the website. However, it is hoped that this time will be minimal as the financial data system can be designed to require little or no reconciliation. The bill does not identify any new funding to school districts to accomplish these tasks and this fiscal note assumes that costs will be accommodated within the local education provider's budgets. This may result in local education providers discontinuing scheduled projects. Online financial data systems are not required to be operational prior to September 1, 2011.

### **Departments Contacted**

Education