



Colorado Legislative Council Staff Fiscal Note
**LOCAL
 FISCAL IMPACT**

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

Date: January 26, 2009
Bill Status: Senate Education
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".

Fiscal Impact Summary	FY 2009-2010	FY 2010-2011
State Revenue		
State Expenditures		
FTE Position Change	0.0 FTE	0.0 FTE
Effective Date: The bill is effective 90 days following final adjournment of the General Assembly unless a referendum petition is filed (August 4, 2009, if final adjournment is May 6, 2009).		
Appropriation Summary for FY 2009-2010: None required.		
School District Impact: 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. 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, 2010. Financial data should be updated daily, as practicable.

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 districts 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 other local education providers, development of a data system is estimated to require an average of 160 hours of work by a contractor. At \$74 per hour, implementation of each financial data system will cost approximately \$11,840.

Assuming that 80 percent of the state's 178 school districts, 148 charter schools, 21 BOCES, and 1 State Charter School Institute will need a system developed, this results in a combined cost of \$3.3 million. 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.

Departments Contacted

Education