

SENATE EDUCATION COMMITTEE SUBSTITUTE FOR  
SENATE BILL 96

**54TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2020**

AN ACT

RELATING TO PUBLIC SCHOOL FINANCE; CREATING REPORTING  
REQUIREMENTS FOR A STATEWIDE ONLINE FINANCIAL REPORTING SYSTEM;  
PRESCRIBING DUTIES FOR THE PUBLIC EDUCATION DEPARTMENT;  
CREATING REPORTING REQUIREMENTS FOR PUBLIC SCHOOLS; MAKING AN  
APPROPRIATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. A new section of the Public School Finance Act  
is enacted to read:

"NEW MATERIAL REPORTING SYSTEM--REPORTING  
REQUIREMENTS.--

A. No later than December 31, 2021, the department,  
with input from stakeholders, including school districts,  
charter school leaders, business managers and staff from the  
legislative finance committee and legislative education study

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underscored material = new  
[bracketed material] = delete

1 committee, shall establish, implement and maintain a statewide  
2 financial reporting system that is based on a standard chart of  
3 accounts. The department shall annually update the reporting  
4 system.

5 B. In designing, implementing and maintaining the  
6 reporting system pursuant to Subsection A of this section, the  
7 department shall adhere to the following guidelines:

8 (1) the reporting system shall be based on a  
9 standard chart of accounts that will enable comparisons between  
10 schools, between local education agencies and between regional  
11 education cooperatives;

12 (2) the reporting system shall allow for the  
13 display of administrative costs of every school site and local  
14 education agency;

15 (3) the reporting system shall make it  
16 possible to determine how school sites and local education  
17 agencies budget funds to support at-risk students, offer  
18 bilingual and multicultural educational services to students  
19 and support special education students;

20 (4) the reporting system shall make it  
21 possible to determine each local education agency's and  
22 regional education cooperative's actual expenditures, which  
23 shall include actual salary expenditures and actual benefit  
24 expenditures reported by job category specified in the standard  
25 chart of accounts at the local education agency level, at the

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1 school site level and, if applicable, at the regional education  
2 cooperative level; and

3 (5) the reporting system shall report the  
4 expenditures for each of the major categories specified in the  
5 chart of accounts for school sites and local education  
6 agencies.

7 C. The standard chart of accounts shall include the  
8 reporting of revenues received at all levels, including local,  
9 state and federal funds.

10 D. As used in this section:

11 (1) "local education agency" means a school  
12 district or state-chartered charter school; and

13 (2) "reporting system" means a statewide  
14 online financial reporting system."

15 **SECTION 2. APPROPRIATION.--**Three million dollars  
16 (\$3,000,000) is appropriated from the public education reform  
17 fund to the public education department for expenditure in  
18 fiscal years 2021 through 2023 to carry out the provisions of  
19 Section 1 of this act and to provide training and technical  
20 assistance. Any unexpended or unencumbered balance remaining  
21 at the end of fiscal year 2023 shall revert to the public  
22 education reform fund."