

- SUBJECT:** Changing the submission date for a school district's annual audit report
- COMMITTEE:** Public Education — favorable, without amendment
- VOTE:** 8 ayes — Sadler, Dutton, Dunnam, Grusendorf, Hardcastle, Hochberg, Olivo, Smith  
0 nays  
1 absent — Oliveira
- WITNESSES:** For — Mike Jolly, Round Rock ISD; Lynn Rigg, Hurst-Euless-Bedford ISD; Lou Spiegel, Mansfield ISD  
Against — None
- BACKGROUND:** Education Code, ch. 44 requires school districts to have their fiscal accounts audited by an independent auditor. A district must file a copy of its annual audited financial report with the Texas Education Agency (TEA) by the 120th day after the end of the fiscal year, using uniform accounting and financial reporting procedures that comply with generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accounts.
- Starting with the 2001-2002 academic school year, school districts will be required to report under new revised guidelines promulgated by the GASB. The revisions are extensive and will bring about major changes to the auditing and reporting of public school financing. The new method of reporting will require districts to provide a more comprehensive report and will involve more preparation time. An additional 30 days would give school districts more time to complete and file the revised audited financial report.
- DIGEST:** HB 2759 would amend Education Code, sec. 44.008(d) by requiring school districts to file a copy of the annual audit report with TEA not later than the 150th day after the end of the fiscal year for which the audit was made.

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The bill would take effect September 1, 2001, and would apply beginning with school districts' annual audits for the 2001-2002 school year.