CHAPTER 197
FORMERLY
HOUSE SUBSTITUTE NO. 1 FOR
HOUSE BILL NO. 119
AS AMENDED BY
HOUSE AMENDMENT NO. 1

AN ACT TO AMEND TITLE 14 OF THE DELAWARE CODE WITH RESPECT TO PUBLIC EDUCATION.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend Title 14, Chapter 15 of the Delaware Code by adding new Sections 1508 through 1510 that shall read as follows:

"§1508. Citizen Oversight of District Finances.

The Department of Education shall promulgate regulations by November 1, 2009 establishing procedures for appointment of citizen budget oversight committees for each of the public school districts and charter schools. These committees shall have full access either electronically or in hard copy format to all financial documents and financial information in the possession of the school districts they are assigned to oversee, with redactions permitted only to protect confidential personal information regarding students or employees. Oversight committees shall have representation from parents, educators, and taxpayers residing in each of the public school districts, provided that in the case of charter schools membership on oversight committees shall consist of parents of students enrolled in the charter school, educators at the charter school, and representatives of the Delaware Department of Education. Where possible, oversight committees shall contain at least two members with formal educational or vocational backgrounds amenable to oversight of school district financial statements. The Department of Education shall provide training to committee members. The Department shall also promulgate regulations by November 1, 2009 dictating uniformity and transparency in the financial recording and bookkeeping practices of the school districts and charter schools.

§ 1509. Transparency of District Finances.

Each district and charter school shall post on its web site by September 1, 2009 and every three months thereafter a check register indicating the recipient of each check issued by the school district or charter school, the amount of the check, and identifying information regarding the check sufficient to permit members of the public to seek additional information regarding the payment in question. The only information excepted from inclusion in this database shall be records that would not constitute public records under 29 Del. C. § 10002(g), and records for which the disclosure would violate any federal or state law.

§ 1510. Department Oversight of District Spending.

By December 1, 2009, the Department of Education shall promulgate regulations that set goals for Delaware school districts and charter schools with respect to the Page 1 of 3

percentage of cumulative revenues that shall be used for instruction and instruction-related expenditures, as those terms are used by the National Center for Education Statistics or its successor organization. In promulgating regulations, the Department shall consider incorporation of spending that has a direct educational impact on students but is not reflected in existing NCES categories. The Department of Education shall gather statistics reflecting schools' status with respect to the goals established under this Section, and shall promulgate annual reports describing schools' status with respect to those goals."

Section 2. Amend Title 14, Section 1702 of the Delaware Code by deleting it in its entirety and replacing it with the following:

"§ 1702. Divisions of school appropriations.

- (a) Appropriations for the support, maintenance and operation of the free public schools of the State shall be in 3 divisions: Division I shall include appropriations designated for the purpose of paying the employees of the various school districts of the State in accordance with the state-supported salary schedules contained in Chapter 13 of this title; Division II shall include the appropriations for all other school costs and energy, except those for debt service and the transportation of pupils; Division III shall include appropriations for educational advancement.
- (b) The Department of Education shall in its annual budget request recommend an amount to be appropriated to each school district for the purpose of educational advancement on a unit basis.
- (c) Appropriations pursuant to Division I shall be used to employ personnel authorized by Chapter 13 of this Title. School districts shall not use such funding to employ administrators in addition to those funded by the State pursuant to Chapter 13 of this title.
- (d) Notwithstanding any other provision of this Chapter, appropriations pursuant to Division II may be used for any otherwise legal purposes.
- (e) The Department of Education, Office of Management and Budget and Controller General's Office are authorized to simplify the complexity of state share accounting by consolidating school district appropriations in the Delaware Financial Management System. Such consolidation may include state funding appropriated and allocated to school districts under Divisions I, II and III, Academic Excellence, Reading Cadre, Reading Resource Teachers, and Exceptional Student Unit-Vocational. Appropriations authorized to be consolidated herein shall not alter the school funding formulas, salary schedules, and/or provision of expenditure stipulated in this title and in the Annual Appropriations Act.".

Section 4. Amend Title 14, Section 1705 of the Delaware Code by eliminating it in its entirety and replacing it with the following:

"§1705. Determination of Amount of Appropriation.

(a) The funds appropriated to each school district for salaries included in Division I shall be determined in accordance with all applicable state-supported salary Page 2 of 3

schedules. No state funds from Division I shall be appropriated to any school district to provide salaries for more teachers than shall actually be employed in such school district.

(b) Any school district may employ additional teachers out of state funds appropriated in Division II or Division III as provided in § 1304 of this title.".

Approved August 13, 2009