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CHARTER SCHOOL CONTRACTORS

House Bill 5257

Sponsor: Rep. Michael Switalski

Committee: Education

Complete to 2-3-00

A SUMMARY OF HOUSE BILL 5257 AS INTRODUCED 2-1-00

House Bill 5257 would amend the State School Aid Act to change the audit requirements for public school academies (more customarily called charter schools). Currently the law specifies that the Department of Education must require each school district and intermediate school district to have an audit of its financial and pupil accounting records, conducted at least annually by a certified public accountant. In addition to this requirement, the bill specifies that if a district that is a public school academy had contracted for management services or other operational services, the audit would be required to include records of the contractor relating to the management or operation of the public school academy.

Further, under current law each district and intermediate school district is required to file with the department by November 15 each year an annual comprehensive financial report, known as "Form B". House Bill 5257 specifies that if a district that is a public school academy had contracted for management services or other operational services, then the annual comprehensive financial report would be required to include information about the services performed by the contractor, and about expenditures for those services.

Finally, House Bill 5257 would define "contractor" to include, but not be limited to, a contractor with which a district that is a public school academy contracts for management services or other operational services.

MCL 388.1618 and 388.1768

Analyst: J. Hunault

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.