

House Bill 895 (AS PASSED HOUSE AND SENATE)

By: Representatives Mayo of the 84th, Dudgeon of the 25th, Evans of the 42nd, and Casas of the 107th

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 2 of Title 20 of the Official Code of Georgia Annotated, relating to
2 elementary and secondary education, so as to provide for the establishment of a charter
3 schools financial management certification; to provide that certain personnel of a charter
4 school or state charter schools shall not serve simultaneously as the chief financial officer for
5 the school; to include certain requirements for training for charter school and state charter
6 school governing board members; to provide for related matters; to repeal conflicting laws;
7 and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 SECTION 1.

10 Chapter 2 of Title 20 of the Official Code of Georgia Annotated, relating to elementary and
11 secondary education, is amended by revising Code Section 20-2-2072, relating to training
12 for board members, as follows:

13 "20-2-2072.

14 The members of the governing board of the nonprofit organization of each charter school
15 shall participate in initial training for boards of newly approved charter schools and annual
16 training thereafter, conducted or approved by the state board. The state board shall provide
17 for or approve such initial and annual training. For charter schools that are college and
18 career academies, as defined in subsection (b) of Code Section 20-4-37, the state board
19 shall provide or approve such training in conjunction with the Technical College System
20 of Georgia. The training shall include, but not be limited to, best practices on school
21 governance, the constitutional and statutory requirements relating to public records and
22 meetings, and the requirements of applicable statutes and rules and regulations. The
23 training shall also include two to three hours annually regarding sound fiscal management
24 and monitoring the implementation of the budget in accordance with state laws and
25 regulations which includes the following elements:

- 26 (1) Board developed policies to ensure sound fiscal management, including but not
 27 limited to: balanced budget requirements, spending level authorizations and permissions,
 28 deficit spending restrictions, establishment of special funds, and reserve maintenance
 29 requirements;
 30 (2) Holding the principal, or its equivalent, accountable for the implementation of the
 31 budget in a manner consistent with the school's strategic plan;
 32 (3) Establishing through policy, the level of spending beyond the budget for which the
 33 school leader must seek board approval;
 34 (4) Monitoring the school's audits, monthly financial reports, and additional financial
 35 reports needed to make informed decisions and to ensure execution of the budget in a
 36 manner consistent with the strategic plan and strategic goals of the school;
 37 (5) Reviewing and addressing annually audited financial records and audit findings, with
 38 a goal of proactively preventing audit exceptions;
 39 (6) Addressing fiscal matters in a manner consistent with state law, sound business
 40 practice, and ethical principles regarding conflicts of interest; and
 41 (7) Operating in a manner such that the board's financial decisions and actions do not
 42 provide unfair financial or other opportunistic advantages to any member of the
 43 governance board, their family members, associates, or individual constituents."

44 **SECTION 2.**

45 Said chapter is further amended by adding new Code sections to read as follows:

46 "20-2-2073.

47 The State Board of Education shall establish a charter schools financial management
 48 certification program for charter school leaders and personnel who are responsible for the
 49 school's budget, accounting, payroll processing, purchasing, and ensuring the school's
 50 financial policies are in line with state and federal laws and best practices.

51 20-2-2074.

52 The principal, or its equivalent, for a charter school shall not serve simultaneously as the
 53 chief financial officer, or its equivalent, for the charter school."

54 **SECTION 3.**

55 Said chapter is further amended by striking the "and" at the end of paragraph (11) and by
 56 revising paragraph (12) of subsection (b) and adding a new paragraph to subsection (b) of
 57 Code Section 20-2-2083, relating to the powers and the duties of the State Charter Schools
 58 Commission, as follows:

95 "(f.1) The principal, or its equivalent, for a state charter school shall not serve
96 simultaneously as the chief financial officer, or its equivalent, for the state charter school."

97 **SECTION 5.**

98 All laws and parts of laws in conflict with this Act are repealed.