

Amendment to HB 121-FN

1 Amend the title of the bill by replacing it with the following:

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3 AN ACT requiring chartered public schools, school administrative units, and cities or school
4 districts not audited under RSA 671:5 to be audited by an independent public
5 accountant after the end of the fiscal year and requiring the results of such audits to
6 be made available to the public.

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8 Amend the bill by replacing all after the enacting clause with the following:

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10 1 Education; District Taxes; Reports Required; Cities, School Districts, and School
11 Administrative Units. RSA 198:4-d is repealed and reenacted to read as follows:

12 198:4-d Reports Required; Cities, School Districts, and School Administrative Units. The
13 governing body of each city, school district, chartered public school, and school administrative unit
14 shall submit to the commissioner of the department of education in a searchable electronic format
15 the following reports pursuant to rules adopted under RSA 541-A by the commissioner of revenue
16 administration which establish the form and content of such reports:

17 I. A report filed by the governing body of each city, school district, and chartered public
18 school shall certify the appropriations voted by the meeting of the appropriate legislative body,
19 whether city council, mayor and council, or mayor and board of aldermen, or by each annual or
20 special school district meeting, along with estimated revenues. This report shall be filed within 20
21 days of the close of the meeting.

22 II. A report filed by the governing body of each city, school district, and chartered public
23 school shall revise all the estimated revenues for the year. This report shall be filed by September 1
24 of each year. The revised estimates by school districts for the adequate education grants calculated
25 under RSA 198:41 shall be considered the most accurate within 5 percent of the amount estimated
26 pursuant to RSA 198:40-a.

27 III. A financial report for each city, school district, and chartered public school shall be filed
28 showing the summary of receipts and expenditures, according to uniform classifications, during the
29 preceding fiscal year, and a balance sheet showing assets and liabilities at the close of the year. This
30 report shall be submitted on or before September 1 of each year. Each statistical report submitted
31 under this section shall include a certification signed by the chairperson of the school district's
32 governing body or the chairperson of the board of trustees of approved public academies that states:

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1 "I certify, under the pains and penalties of perjury, to the best of my knowledge and belief, that all of
2 the information contained in this document is true, accurate and complete."

3 IV. The department of education and the department of revenue administration together
4 shall develop and maintain school accounting standards which shall be used by districts, chartered
5 public schools, and school administrative units for financial reporting purposes.

6 V. The budget committee in school districts operating under the municipal budget law shall
7 file the budget within 20 days of the close of the annual or special meeting.

8 VI. Chartered public schools, school administrative units, and cities or school districts not
9 audited under RSA 671:5, shall be audited by an independent public accountant in accordance with
10 RSA 21-J:19, II.

11 VII. If a city or school district is audited under RSA 671:5, the procedures in RSA 41:31-a
12 through 41:31-d shall be followed.

13 VIII. Audit reports created under paragraphs VI and VII shall include balance sheets; a
14 breakdown of revenue sources; an itemized list of all employees or staff on payroll and their pay,
15 benefits, other post-employment benefits and pension liabilities; an itemized list of assets, debts,
16 bonds, lease agreements, and capital improvement investment projects. The audit report for the last
17 completed fiscal year shall be submitted to the department within 9 months of the end of the fiscal
18 year. The commissioner of the department of education shall verify that the report appears complete
19 within 3 months of receipt, comparing it against those submitted in prior years. The department
20 may grant extensions as needed to address any disputed items. Deficiencies shall be corrected no
21 later than 12 months from the date of the submission. The commissioner shall withhold state grant
22 funding, not including RSA 198:40-a funding, allocated to any non-compliant city, school district,
23 chartered public school, or school administrative unit until the audit or financial report is completed
24 and submitted to the department, and any questions are answered to the commissioner's
25 satisfaction.

26 IX. The department of education and reporting entities shall make reports filed under this
27 section available to the public on their websites in a searchable electronic format.

28 2 Effective Date. This act shall take effect July 1, 2026.

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AMENDED ANALYSIS

This bill requires chartered public schools, school administrative units, and cities or school districts not audited under RSA 671:5 to be audited by an independent public accountant after the end of the fiscal year and for the results of such audits to be made available to the public.