

CHAPTER 272
SB 586-FN - FINAL VERSION

03/05/2026 0772s
23Apr2026... 1500h
06/04/2026 2121EBA

2026 SESSION

26-2110
07/05

SENATE BILL ***586-FN***

AN ACT requiring 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 requiring the results of such audits to be made available to the public.

SPONSORS: Sen. Murphy, Dist 16; Sen. Gannon, Dist 23; Sen. Pearl, Dist 17; Sen. Sullivan, Dist 18; Sen. Innis, Dist 7; Sen. Avar, Dist 12; Sen. Ward, Dist 8; Sen. Birdsell, Dist 19; Sen. Carson, Dist 14

COMMITTEE: Election Law and Municipal Affairs

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.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears [in brackets and struck through.]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty-Six

AN ACT requiring 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 requiring the results of such audits to be made available to the public.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 272:1 Education; District Taxes; Reports Required; Cities, School Districts, and School
2 Administrative Units. RSA 198:4-d is repealed and reenacted to read as follows:

3 198:4-d Reports Required; Cities, School Districts, and School Administrative Units. The governing
4 body of each city, school district, chartered public school, and school administrative unit shall submit to
5 the commissioner of the department of education in a searchable electronic format the following reports
6 pursuant to rules adopted under RSA 541-A by the commissioner of revenue administration which
7 establish the form and content of such reports:

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

13 II. A report filed by the governing body of each city, school district, and chartered public school
14 shall revise all the estimated revenues for the year. This report shall be filed by September 1 of each
15 year. The revised estimates by school districts for the adequate education grants calculated under RSA
16 198:41 shall be considered the most accurate within 5 percent of the amount estimated pursuant to RSA
17 198:40-a.

18 III. A financial report for each city, school district, and chartered public school shall be filed
19 showing the summary of receipts and expenditures, according to uniform classifications, during the
20 preceding fiscal year, and a balance sheet showing assets and liabilities at the close of the year. This
21 report shall be submitted on or before September 1 of each year. Each statistical report submitted under
22 this section shall include a certification signed by the chairperson of the school district's governing body or
23 the chairperson of the board of trustees of approved public academies that states: "I certify, under the
24 pains and penalties of perjury, to the best of my knowledge and belief, that all of the information contained
25 in this document is true, accurate and complete."

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

CHAPTER 272
SB 586-FN - FINAL VERSION
- Page 2 -

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

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

6 VII. If a city or school district is audited under RSA 671:5, the procedures in RSA 41:31-a through
7 41:31-d shall be followed.

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

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

22 272:2 Effective Date. This act shall take effect July 1, 2026.

Approved: July 02, 2026
Effective Date: July 01, 2026

