

1 SB90  
2 164776-1  
3 By Senator Holtzclaw  
4 RFD: Finance and Taxation Education  
5 First Read: 03-MAR-15

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8 SYNOPSIS: Under existing law, the School Fiscal  
9 Accountability Act provides fiscal management  
10 procedures for local boards of education to follow.

11 This bill would authorize local boards of  
12 education to conduct certain financial transactions  
13 by electronic methods.  
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15 A BILL  
16 TO BE ENTITLED  
17 AN ACT  
18

19 Relating to the School Fiscal Accountability Act; to  
20 add Section 16-13A-14 to the Code of Alabama 1975, to  
21 authorize local boards of education to utilize approved  
22 electronic methods to disburse and receive funds and complete  
23 other financial transactions; and to repeal Sections 16-6B-7,  
24 16-8-37, and 16-11-24, Code of Alabama 1975, relating to the  
25 publication of accountability reports and annual financial  
26 reports to the public by city and county boards of education.  
27 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1           Section 1. Section 16-13A-14 is added to the Code of  
2 Alabama 1975, to read as follows:

3           §16-13A-14.

4           (a) A local board of education may adopt fiscal  
5 management policies which allow financial transactions to be  
6 made by electronic means according to standards approved by  
7 the State Superintendent of Education and the Department of  
8 Examiners of Public Accounts.

9           (b) All of the following transactions of a local  
10 board of education or school may be conducted by electronic  
11 methods:

12           (1) Payments to employees by direct deposit, bank  
13 cards, electronic checks, or other electronic means.

14           (2) Payments and deposits to vendors, contractors,  
15 government agencies, and other payees by bank drafts,  
16 electronic checks, purchasing cards, procurement cards, bank  
17 cards, or other electronic means.

18           (3) Receipt of payments for students by credit  
19 cards, debit cards, bank drafts, or other electronic means.

20           (4) Receipt of funds for donations, fundraising,  
21 admission charges, fees, fines, and other purposes by credit  
22 cards, debit cards, bank drafts, or other electronic means.

23           (5) Receipt of funds from government agencies and  
24 other payees by bank drafts, electronic checks, purchasing  
25 cards, procurement cards, bank cards, or other electronic  
26 means.

1           (6) Purchase orders, purchase requisitions, and  
2 other procurement documents which do not require a notarized  
3 signature.

4           (7) Other financial transactions included in the  
5 standards approved by the State Superintendent of Education  
6 and the Department of Examiners of Public Accounts.

7           Section 2. The State Superintendent of Education  
8 shall annually provide to each local superintendent of  
9 education a listing of financial and other reports required to  
10 be published on the website of the local board of education  
11 and a listing of reports that are published on the State  
12 Department of Education website that provide accountability  
13 information to the public.

14           Section 3. All laws or parts of laws which conflict  
15 with this act are repealed, and Sections 16-6B-7, 16-8-37, and  
16 16-11-24, Code of Alabama 1975, relating to the publication of  
17 accountability reports and annual financial reports to the  
18 public by city and county boards of education, respectively,  
19 are specifically repealed.

20           Section 4. This act shall become effective  
21 immediately following its passage and approval by the  
22 Governor, or its otherwise becoming law.