

State of Arkansas  
86th General Assembly  
Regular Session, 2007

# A Bill

HOUSE BILL 1460

By: Representative Pickett

## For An Act To Be Entitled

AN ACT TO REVISE ACCOUNTABILITY AND REVIEW  
REQUIREMENTS CONCERNING ATHLETIC EXPENDITURES BY  
PUBLIC SCHOOLS; AND FOR OTHER PURPOSES.

## Subtitle

AN ACT TO REVISE ACCOUNTABILITY AND  
REVIEW REQUIREMENTS CONCERNING ATHLETIC  
EXPENDITURES BY PUBLIC SCHOOLS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 6-20-2002 is amended to read as follows:  
6-20-2002. Definitions.

As used in this subchapter:

(1) "Athletic expenditures" means all direct and indirect  
expenses related to interschool athletic programs, prorated if necessary,  
including, but not limited to:

(A) ~~Salaries~~ The proportion of salaries or supplemental  
pay for staff for or related to interschool athletic programs or organized  
physical activity courses as provided under § 6-16-137, or both, ~~excluding~~  
~~salaries received for duties as a classroom teacher;~~

(B) All fringe benefits, including, but not limited to,  
medical and dental insurance, workers' compensation, pension plans, and any  
other costs associated with employment of staff for interschool athletic  
programs;

(C) Travel, including bus-related operation and  
maintenance, to and from any interschool athletic program event for students,



1 faculty, spirit groups, band, or patrons of the school district;

2 (D) Equipment;

3 (E) Meals;

4 (F) Supplies;

5 (G) Property and medical insurance;

6 (H) Medical expenses;

7 (I) Utilities; and

8 (J) Maintenance of facilities related to interschool  
9 athletic teams and spirit groups, excluding bands;

10 (2) "Classroom teacher" means an individual who is required to  
11 hold a teaching license from the Department of Education and who is engaged  
12 directly in instruction with students in a classroom setting for more than  
13 seventy percent (70%) of the individual's contracted time;

14 (3) "Interschool athletic program" means:

15 (A) ~~any~~ Any athletic program ~~which that~~ is:

16 (i) ~~organized~~ Organized primarily for the purpose of  
17 competing with other schools, public or private; or

18 (ii) Subject to regulation by the Arkansas  
19 Activities Association; and

20 (4) "State funds" means all money derived from state revenues,  
21 specifically including, but not limited to, distributions from the Department  
22 of Education Public School Fund Account and ad valorem property taxes  
23 distributed to a public school or school district.

24  
25 SECTION 2. Arkansas Code § 6-20-2003(b), concerning certification of  
26 the athletic expenditure report by public school districts, is amended to  
27 read as follows

28 (b)(1) Any school district failing to comply with the provisions of  
29 this subchapter and the rules adopted by the state board for the  
30 implementation of this subchapter shall be identified by the department to be  
31 a school in fiscal distress in accordance with the Arkansas Fiscal Assessment  
32 and Accountability Program, § 6-20-1901 et seq.

33 (2) Any report required by this subchapter shall be subject to a  
34 yearly audit which shall be filed as set forth under § 6-20-1801 et seq.

35 (3)(A) The Division of Legislative Audit shall conduct a review  
36 of any report required by this subchapter to determine compliance with this

1 subchapter and any rule established by the Department of Education in  
2 accordance with § 6-20-2004.

3 (B) The division shall conduct the review under this  
4 subdivision (b)(3) annually on a rotating basis so that each public school  
5 district is evaluated at least one (1) time every five (5) years.

6 (C) If the division determines that it has insufficient  
7 staffing to conduct the scheduled reviews under this subdivision (3) in a  
8 given year, the executive committee of the Legislative Joint Auditing  
9 Committee may establish the priority and number of public school districts  
10 that can reasonably be reviewed with available staff resources for the given  
11 year.