

1 **PUBLIC EDUCATION FOUNDATION**

2 **AMENDMENTS**

3 2008 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Sheryl L. Allen**

6 Senate Sponsor: Dan R. Eastman

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8 **LONG TITLE**

9 **General Description:**

10 This bill modifies provisions of the State System of Public Education relating to the  
11 financial accountability of school district foundations.

12 **Highlighted Provisions:**

13 This bill:

- 14 ▶ requires school district foundations to report certain financial information to  
15 schools;
- 16 ▶ requires a local school board that establishes a foundation to require the foundation  
17 to follow certain accounting, purchasing, and check issuance policies; and
- 18 ▶ makes technical corrections.

19 **Monies Appropriated in this Bill:**

20 None

21 **Other Special Clauses:**

22 None

23 **Utah Code Sections Affected:**

24 AMENDS:

25 **53A-4-205**, as last amended by Laws of Utah 1999, Chapter 225

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27 *Be it enacted by the Legislature of the state of Utah:*



28 Section 1. Section 53A-4-205 is amended to read:

29 **53A-4-205. Establishment of public education foundations -- Powers and duties --**  
30 **Tax exempt status.**

31 (1) State and local school boards may establish foundations to:

32 (a) assist in the development and implementation of the programs authorized under this  
33 part to promote educational excellence; and

34 (b) assist in the accomplishment of other education-related objectives.

35 (2) A foundation established under Subsection (1):

36 (a) may solicit and receive contributions from private enterprises for the purpose of this  
37 part;

38 (b) shall comply with Title 51, Chapter 7, State Money Management Act, and rules  
39 made under the act;

40 (c) has no power or authority to incur contractual obligations or liabilities that  
41 constitute a claim against public funds except as provided in this section;

42 (d) may not exercise executive, administrative, or rulemaking authority over the  
43 programs referred to in this part, except to the extent specifically authorized by the responsible  
44 school board;

45 (e) is exempt from all taxes levied by the state or any of its political subdivisions with  
46 respect to activities conducted under this part; [~~and~~]

47 (f) may participate in the Risk Management Fund under Section 63A-4-204[-];

48 (g) shall provide a school with information detailing transactions and balances of funds  
49 managed for that school; and

50 (h) shall, for foundation accounts from which monies are distributed to schools,  
51 provide all the schools within a school district information that:

52 (i) details account transactions; and

53 (ii) shows available balances in the accounts.

54 (3) A local school board that establishes a foundation under Subsection (1) shall:

55 (a) require the foundation to:

56 (i) use the school district's accounting system; or

57 (ii) follow written accounting policies established by the board;

58 (b) review and approve the foundation's accounting, purchasing, and check issuance

59 policies to ensure that there is an adequate separation of responsibilities; and  
60 (c) approve procedures to verify that issued foundation payments have been properly  
61 approved.

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**Legislative Review Note**  
as of 1-3-08 10:58 AM

**Office of Legislative Research and General Counsel**

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**H.B. 112 - Public Education Foundation Amendments**

**Fiscal Note**

2008 General Session

State of Utah

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**State Impact**

Enactment of this bill will not require additional appropriations.

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**Individual, Business and/or Local Impact**

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.

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