

**Representative Melissa G. Ballard** proposes the following substitute bill:

**LOCAL EDUCATION AGENCY FINANCIAL INFORMATION  
SYSTEMS**

2020 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Melissa G. Ballard**

Senate Sponsor: Jacob L. Anderegg

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**LONG TITLE**

**General Description:**

This bill amends provisions related to the Utah school information management system.

**Highlighted Provisions:**

This bill:

- ▶ defines terms;
- ▶ requires the state board to make rules related to requirements for a local education agency (LEA) financial information system;
- ▶ amends requirements for an LEA's data systems;
- ▶ allows the state board to assist an LEA in meeting requirements for a financial management system by:
  - providing funding to the LEA; or
  - procuring a financial management system on behalf of the LEA; and
- ▶ after a certain date, allows the state board to take action against an LEA that does not comply with requirements related to information management systems.

**Money Appropriated in this Bill:**

This bill appropriates in fiscal year 2021:

- ▶ to the State Board of Education - State Administrative Office, as an ongoing



26 appropriation:

- 27 • from the Education Fund, \$4,000,000.

28 **Other Special Clauses:**

29 None

30 **Utah Code Sections Affected:**

31 AMENDS:

32 **53E-3-518**, as enacted by Laws of Utah 2019, Chapter 83



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

35 Section 1. Section **53E-3-518** is amended to read:

36 **53E-3-518. Utah school information management system -- Local education**  
37 **agency requirements.**

38 (1) As used in this section:

39 (a) "LEA data system" or "LEA's data system" means a data system that:

40 (i) is developed, selected, or relied upon by an LEA; and

41 (ii) the LEA uses to collect data or submit data to the state board related to:

42 (A) student information;

43 (B) educator information;

44 (C) financial information; or

45 (D) other information requested by the state board.

46 (b) "LEA financial information system" or "LEA's financial information system" means  
47 an LEA data system used for financial information.

48 [~~(b)~~] (c) "Utah school information management system" or "information management  
49 system" means the state board's data collection and reporting system described in this section.

50 [~~(c)~~] (d) "User" means an individual who has authorized access to the information  
51 management system.

52 (2) On or before July 1, 2023, the state board shall have in place an information  
53 management system that meets the requirements described in this section.

54 (3) The state board shall ensure that the information management system:

55 (a) interfaces with an LEA's data systems that meet the requirements described in

56 Subsection [~~(5)~~] (6);

57 (b) serves as the mechanism for the state board to collect and report on all data that  
58 LEAs submit to the state board related to:

59 (i) student information;

60 (ii) educator information;

61 (iii) financial information; and

62 (iv) other information requested by the state board;

63 (c) includes a web-based user interface through which a user may:

64 (i) enter data;

65 (ii) view data; and

66 (iii) generate customizable reports;

67 (d) includes a data warehouse and other hardware or software necessary to store or  
68 process data submitted by an LEA;

69 (e) provides for data privacy, including by complying with Title 53E, Chapter 9,  
70 Student Privacy and Data Protection;

71 (f) restricts user access based on each user's role; and

72 (g) meets requirements related to a student achievement backpack described in Section  
73 [53E-3-511](#).

74 (4) The state board shall establish the restrictions on user access described in  
75 Subsection (3)(f).

76 (5) (a) The state board shall make rules that establish the required capabilities for an  
77 LEA financial information system.

78 (b) In establishing the required capabilities for an LEA financial information system,  
79 the state board shall consider metrics and capabilities requested by the state treasurer or state  
80 auditor.

81 [~~5~~] (6) (a) On or before July 1, 2023, an LEA shall ensure that:

82 (i) all of the LEA's data systems:

83 [~~ii~~] (A) meet the data standards established by the state board in accordance with  
84 Section [53E-3-501](#); [~~and~~]

85 [~~iii~~] (B) are fully compatible with the state board's information management system[-];  
86 and

87 (C) meet specification standards determined by the state board; and

88 (ii) the LEA's financial information system meets the requirements described in  
89 Subsection (5).

90 (b) An LEA shall ensure that an LEA data system purchased or developed on or after  
91 May 14, 2019, will be compatible with the information management system when the  
92 information management system is fully operational.

93 (7) (a) Subject to appropriations and Subsection (7)(b), the state board may use an  
94 appropriation under this section to help an LEA meet the requirements in the rules described in  
95 Subsection (5) by:

96 (i) providing to the LEA funding for implementation and sustainment of the LEA  
97 financial information system, either through:

98 (A) awarding a grant to the LEA; or

99 (B) providing a reimbursement to the LEA; or

100 (ii) in accordance with Title 63G, Chapter 6a, Utah Procurement Code, procuring a  
101 financial information system on behalf of an LEA for the LEA to use as the LEA's financial  
102 information system.

103 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
104 state board shall make rules describing:

105 (i) how an LEA may apply to the state board for the assistance described in Subsection  
106 (7)(a); and

107 (ii) criteria for the state board to provide the assistance to an LEA.

108 (8) (a) Beginning July 1, 2023, the state board may take action against an LEA that is  
109 out of compliance with a requirement described in Subsection (6) until the LEA complies with  
110 the requirement.

111 (b) An action described in Subsection (8)(a) may include the state board withholding  
112 funds from the LEA.

113 **Section 2. Appropriation.**

114 The following sums of money are appropriated for the fiscal year beginning July 1,  
115 2020, and ending June 30, 2021. These are additions to amounts previously appropriated for  
116 fiscal year 2021. Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures  
117 Act, the Legislature appropriates the following sums of money from the funds or accounts  
118 indicated for the use and support of the government of the state of Utah.

119 ITEM 1

120 To State Board of Education - State Administrative Office

121 From Education Fund

\$4,000,000

122 Schedule of Programs:

123 Statewide Financial Management System Grants \$4,000,000

124 The Legislature intends that the State Board of Education use the appropriation in  
125 accordance with uses allowed under Section [53E-3-518](#) to assist a local education agency in  
126 complying with requirements for an LEA financial management system described in Section  
127 [53E-3-518](#).