State Representative Kim Thatcher House District 25



NEWS RELEASE: June 14, 2011

CONTACT: Dawn Phillips

503.750.1764

Important School Audits Bill Passes Oregon House

(Salem) State agencies would have greater oversight of the way school districts spend taxpayer dollars under a bill that passed unanimously in the Oregon House today. <u>House Bill 2280</u> was drafted by <u>State Representative Kim Thatcher</u> (R-Keizer, Newberg, St. Paul) after problems surfaced at the Willamette Education Service District (WESD).

"We're talking about nearly \$6 billion in state funding for school districts and education service districts across Oregon. We need to ensure our limited resources for education are being spent wisely," said Thatcher. "State officials need to have the right tools to do financial and performance audits when red flags pop up."

HB 2280 makes a number of changes that give the Oregon Secretary of State Audits Division and the Oregon Department of Education the ability to conduct audits on these districts when situations arise. Under current state law there are certain limitations which inhibit the ability of education oversight agencies to look into issues when they occur. This legislation would solve that problem.

There is a mechanism in the measure which helps avoid unnecessary audits by allowing school districts to provide information to auditors in advance of an investigation. The agencies can also charge a portion of the audit cost to the district being audited. "These audits can not only help head-off expensive litigation but often uncover financial mismanagement and other practices that might be using up scarce school funding that should be directed to the classroom."

After several years of <u>complaints by legislators</u> and others, the Secretary of State Audits Division completed an <u>audit on the WESD</u> and found over 40 areas that needed improvement. Representative Thatcher is pleased that the district has been <u>implementing recommendations from the audit</u> and making corrections.

The legislation is supported by the Oregon Education Association, the Oregon School Boards Association, and the Confederation of Oregon School Administrators.

"We'd like to thank Rep Thatcher for her willingness to work with the stakeholders involved in this issue," said Morgan Allan from the Oregon School Boards Association. "We believe it will improve accountability for schools and the taxpayers who fund them."

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900 Court Street NE H-472 Salem, OR 97301 503-986-1425 www.leg.state.or.us/thatcher Rep.kimthatcher@state.or.us