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HOUSE OF REPRESENTATIVES

FLOOR AMENDMENT NO. _____

BY: Bailes

1 Amend C.S.H.B. No. 3 (house committee printing) by adding the
2 following appropriately numbered SECTION to Article 1 of the bill
3 and renumbering subsequent SECTIONS of that article accordingly:

4 SECTION 1.____. Subchapter D, Chapter 12, Education Code, is
5 amended by adding Section 12.1142 to read as follows:

6 Sec. 12.1142. EFFICIENCY AUDIT. (a) For purposes of this
7 section, "efficiency audit" means an investigation of the
8 operations of an open-enrollment charter school to examine fiscal
9 management and efficiency.

10 (b) The governing body of an open-enrollment charter school
11 shall conduct an efficiency audit before:

12 (1) requesting approval from the commissioner for a
13 revision to the school's charter or an expansion amendment under
14 Section 12.114; or

15 (2) establishing a new open-enrollment charter school
16 campus under Section 12.101(b-4).

17 (c) The open-enrollment charter school must:

18 (1) pay for the costs associated with an efficiency
19 audit required under this section; and

20 (2) post the results of the efficiency audit on the
21 open-enrollment charter school's Internet website before taking an
22 action described by Subsection (b).

23 (d) An auditor selected by the governing body of an
24 open-enrollment charter school must maintain independence from the
25 school and complete the audit not later than three months after the
26 date the auditor was selected.

27 (e) An open-enrollment charter school shall provide all
28 documents, records, and personnel requested by the auditor as
29 needed to conduct the audit in an efficient manner. If an

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1 open-enrollment charter school fails to timely comply with this
2 subsection, the auditor shall report the school's failure to the
3 agency and the governing body of the school.