

SCHOOLS:

State Superintendent has power to prescribe form for reports called for by Section 10501, R.S. Mo. 1939, as amended, Laws of 1941, p. 536; form submitted with request held to be sufficient.

March 24, 1942

3-27

Honorable Lloyd W. King
State Superintendent
Department of Public Schools
Jefferson City, Missouri

FILE
49

Dear Mr. King:

This will acknowledge receipt of your request for an opinion, which reads as follows:

"Inquiry has come to this Department about the form of financial report required by the board in Section 10501, as amended in House Bill No. 146, Laws of 1941, page 536.

"Section 10501 was amended to require school boards to submit the annual financial report to the State Superintendent of Schools for approval before the state school apportionment may be released for the ensuing school year.

* * * * *

"Each year, on or before the 15th day of July, the district clerk or secretary of the board of each district that maintains a high school is required to file a statistical and financial report in this Department. This information is summarized and published in the State Superintendent's annual report as required by law.

"The financial section of the secretary of the board's report calls for a complete report of receipts and disbursements: First, by funds as required by law, and second, by character, divided into major sources of revenue and the chief character classifications of disbursements.

"This Department has not required a financial report which would show each minute item of expenditure for which a warrant may have been issued. Such a report would be quite voluminous and would require a great deal more facility to handle the report and summarize the information before it would have much value and could be published.

"The attached copy of this Department's required financial report is for your examination. This report appears to be quite exhaustive and concise in giving a clear picture of a school district's financial receipts and disbursements.

"Question:

1. Does the proviso that the State Superintendent shall not release the state aid of a district until a copy of the required report has been received and approved by him give the State Superintendent the authority to determine, within the general provisions of the law, the form and extent of the financial report required of the board?
2. Is this report to the State Superintendent complete enough to comply with the provisions of Section 10501, as amended in House Bill No. 146, Laws of 1941, page 536?"

We shall answer your questions in the order listed in your request.

I.

"Does the proviso that the State Superintendent shall not release the state aid of a district until a copy of the required report has been received and approved by him give the State Superintendent the authority to determine, within the general provisions of the law, the form and extent of the financial report required of the board?"

Section 10501, R. S. Mo. 1939, as amended by Laws of 1941, page 536, provides in part as follows:

" * * * and provided further, that it shall be the duty of each of said boards, and of the boards of directors in other school districts in this state having six directors or having high schools, to make and publish, annually, on or before the 15th day of July in each year, in some newspaper published in such school district, and if there be no newspaper published therein, then by written statements posted in five public places in such district, a detailed statement of all receipts of school moneys, when and from what source derived, and all expenditures, and on what account; also, the present indebtedness of the district and its nature, and the rate of taxation for all purposes for the year, which said statement, so required to be made and published, shall be duly attested by the president and secretary of the board, and the secretary shall forward a copy of said report

to the state superintendent of public schools at Jefferson City. The state superintendent of schools shall not release the state aid apportioned to such a district for the next ensuing school year until a copy of the required report has been received at his office in Jefferson City and has been approved by him, and any board of education or board of directors who shall fail, refuse or neglect to order such statement to be made, and any officer of said board who shall fail, refuse or neglect to prepare such statement and publish and forward the same, as required by the foregoing provisions of this section, when ordered by such board, shall be guilty of a misdemeanor and punished by a fine not to exceed one hundred dollars."

It will be seen from the foregoing section that what must be included in the report filed by the secretary of the board is set out in the section itself. The matter therein required must, therefore, be included in any report which is made in compliance with said section. It would not be within the power of the state superintendent to accept any report which did not contain the matters required by Section 10501. However, Section 10605, R. S. Mo. 1939, reads as follows:

"The blanks for the reports required to be made by the various school officers under the provisions of this chapter shall be printed under the direction of the commissioners of public printing, in the form prescribed by the state superintendent of public schools, to be paid for in like manner and upon the same terms as other public printing."

It will be observed that the foregoing section of the statutes expressly vests the state superintendent of schools with authority to prescribe the form upon which school officers

shall make reports which are required of them by law. Since Section 10501 requires a report of school officers, the state superintendent of schools, by virtue of Section 10605, supra, has the authority to prescribe the form upon which said report shall be made. Such authority, of course, is limited to prescribing the form in which the matters required by Section 10501 shall be submitted, but such authority does not extend to prescribing a form which would not call for all of the information required by said Section 10501.

CONCLUSION

It is, therefore, the opinion of this department that the state superintendent of schools has authority to prescribe the form upon which the report of the school boards required by Section 10501, R. S. Mo. 1939, as amended by Laws of 1941, page 536, shall be made, subject only to the limitation that any form so prescribed would have to call for the information required by said Section 10501.

II.

"Is this report to the State Superintendent complete enough to comply with the provisions of Section 10501, as amended in House Bill No. 146, Laws of 1941, page 536?"

Said Section 10501, as quoted in the first part of this opinion, requires the school boards to make and publish

"a detailed statement of all receipts of school moneys, when and from what source derived, and all expenditures, and on what account; also, the present indebtedness of the district and its nature, and the rate of taxation for

all purposes for the year, which said statement, so required to be made and published, shall be duly attested by the president and secretary of the board, and the secretary shall forward a copy of said report to the state superintendent of public schools at Jefferson City."

Your second question is whether or not the form which you submitted along with your request for an opinion meets the foregoing requirements. An examination of the form submitted shows that it calls for the present indebtedness of the district, the nature of such indebtedness, and the rate of taxation for all purposes for the year. There is no question, therefore, but that said form complies with that part of Section 10501. The only other question left to determine is whether the form which you submitted calls for a "detailed statement of all receipts of school moneys, when and from what source derived, and all expenditures, and on what account." In other words, the question is as to how minute must the details of said report be.

In the case of State ex rel. v. Commissioners of Washington County, 56 Ohio St. 631, 47 N. E. 565, the court passed upon the sufficiency of a financial report required by statute to be made by the Commissioners of Washington County. Said report in listing the expenditures of the revenue listed items such as the following:

For blanks, county auditor.....	\$120.50
For sheriff, prison board.....	854.00
For sheriff, superintending prison labor.....	106.73
For sheriff, washing for prisoners	73.07
For allowance to military companies	354.44
For gas, court house and jail..	374.61
For telephone rent	50.00
For water rent, court house and jail.....	225.15

The report in that case was attacked on the ground that the same was not a "detailed report." In passing upon

the sufficiency of said report the court said, 47 N. E. l. c. 568:

"In making and filing the report of their financial transactions for the year preceding August 31, 1893, in the form just recited, did the board of county commissioners comply with the requirements of section 917, Rev. St.? This statute, so far as it relates to the form or substance of the report required of the county commissioners, is in the following words: 'Sec. 917. The county commissioners, annually, on or before the third Monday in September, shall make a detailed report in writing, to the court of common pleas, of the county, of their financial transactions during the year preceding the time of making such report. * * *' If, by requiring of the county commissioners an annual 'detailed' report of their financial transactions, the general assembly intended that they should reduce their account to its ultimate analysis, then the account set forth by the commissioners in their answer did not comply with the statute; for it is obvious that many, if not all, of the items (so called) in this report, are made up of a large number of more minute items. For illustration, under the statement of expenditures from dog tax fund, only two items are found:

For claims for sheep killed	
by dogs	\$1,259.16
Witness fees, mileage, and	
blanks.....	79.70
Total.....	<u>\$1,338.86</u>

"A subsequent part of the record discloses that there were at least 57 distinct claims paid on account of sheep

killed or injured by dogs. Probably there were a number of others. If, however, the number was 57 only, as the statute requires each claim to be established by two witnesses, and as each witness would be entitled to a specific fee of 50 cents and mileage, and as the account, reduced to its last analysis, must state the fee and mileage separately, each sheep claim would require 5 distinct items, making for the 57 claims 275 items instead of 2, as stated in this report; requiring nearly as much space for stating it, and expense for its publication, as will be necessary in respect of the entire report as made. This part of the report perhaps shows a greater condensation than any other portion of it; but an inspection of the whole statement, as reported will clearly show that a reduction to its final analysis would enlarge it manifold. In the more populous and wealthy counties--Hamilton and Cuyahoga, for instance--the report would swell into an immense volume if thus extended. No one would be found patient enough to wade through the vast mass of detail, and each item would be lost in the multitude of its fellows. It is, of course, within the power of the general assembly to require such minuteness as this in the report made by the commissioners; but, unless the language chosen by that body imperatively demands such construction, the section should not, in our opinion, be so construed. Doubtless an account or report which gave the most minute circumstances of a transaction, or resolved into its ultimate component parts every composite item, would properly fall within the definition of a detailed account or report; but the common acceptance of the

term, as applied to the ordinary transactions of mankind, denotes also a much less specific and extended subdivision of a transaction. None of the lexicographers assign to this word 'detail' such a fixed and unyielding sense as to limit its application to such transactions and accounts only as have been subjected to the most minute and extended subdivision or analysis of which they were susceptible; nor do we think the legislature used the word in the section under consideration in this narrow sense.

"In the report under consideration the county commissioners classified the several heads of expenditure concisely and clearly, and, under its appropriate head, stated, separately, each particular subject of expenditure. In every instance the purpose to be attained by the money expended was clearly shown. The report afforded the data necessary to enable the committee appointed, pursuant to the statute, to intelligently examine it. It advised the taxpayers of the county of the several subjects to which the public revenue had been devoted, and the amount expended upon each subject; and this, we think, is all the statute requires."

It seems to us that the reasoning adopted by the court in the foregoing case is the reasoning which should be adopted in determining the sufficiency of the details of the report required by the statute under consideration here. The form of report which you submitted with your request classifies the several heads of expenditures clearly and calls for each particular subject of expenditures. If said report is properly filled out it will show data which will advise the taxpayers of the district of the several subjects to which the public revenue has been devoted and the amount expended upon each subject. Likewise, said report, properly filled out, will furnish the state superintendent of schools

Hon. Lloyd W. King

-10-

March 24, 1942

with information needed by his office. We think this form, properly executed, would comply with the statute in question.

CONCLUSION

It is, therefore, the opinion of this department that the form submitted by you for the report required of school boards by Section 10501, R. S. Mo. 1939, as amended by Laws of 1941, page 536, is complete enough to comply with the provisions of said section.

Respectfully submitted

HARRY H. KAY
Assistant Attorney General

APPROVED:

ROY MCKITTRICK
Attorney General

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