

702 KAR 3:320. Finance officer certification requirements.

RELATES TO: KRS 160.431, 161.020(1)(b)

STATUTORY AUTHORITY: KRS 156.070, 160.431

NECESSITY, FUNCTION, AND CONFORMITY: KRS 156.070 authorizes the Kentucky Board of Education to promulgate administrative regulations necessary for the efficient management, control, and operation of the schools and programs under its jurisdiction. KRS 160.431(2) requires the Kentucky Board of Education to promulgate administrative regulations identifying and prescribing the criteria and procedures for school finance officer certification and continuing education. This administrative regulation establishes the standards for school finance officer certification and continuing education.

Section 1. Definitions.

- (1) "Break in service" means an end to the employment relationship of the individual as the designated finance officer for a Kentucky school district without a transfer of employment to another Kentucky school district to serve as the designated finance officer.
- (2) "Finance officer" means a person appointed pursuant to KRS 160.431(1).
- (3) "Finance officer intern" means any finance officer who has obtained a provisional certificate under Section 3 of this administrative regulation but who has not acquired a full certificate under Section 4 of this administrative regulation.
- (4) "Mentor" means an individual approved by the department to oversee a finance officer intern through the Kentucky Finance Officer Internship Program.

Section 2. Initial Qualifications. An individual shall be eligible to be employed as a finance officer on or after July 1, 2015, if the individual:

- (1) Is employed on June 30, 2015 as a finance officer in a Kentucky school district and does not have a six (6) month or longer employment break in service as a finance officer in any Kentucky school district after June 30, 2015. A six (6) month or longer break in service as a finance officer in any Kentucky school district after June 30, 2015, shall terminate the individual's qualification for employment as a finance officer under this subsection; or
- (2) Obtains a provisional or full certificate under Section 3 or 4 of this administrative regulation.

Section 3. Provisional Certification.

(1) An individual who is seeking to be employed as a finance officer in a Kentucky school district who does not meet the requirements of Section 2(1) of this administrative regulation and who does not possess a full certificate shall secure a provisional certificate by submitting the Provisional Certification Application Form, KDE-FOCP-1, to the department to verify the individual meets the following eligibility requirements:

(a) A minimum of a bachelor's degree from any accredited postsecondary institution; and

(b)

1. A minimum of twelve (12) credit hours in accounting coursework from any accredited postsecondary institution;
2. A minimum of four (4) years' work experience primarily in accounting or finance, confirmed by the district of employment; or
3. A minimum of two (2) years' work experience in finance in a local school district, confirmed by the district of employment.

(2) The department shall issue a provisional certificate to an individual providing proof of the eligibility requirements of subsection (1) of this section and proof of an offer of employment as a finance officer in a Kentucky school district.

- (3) A finance officer provisional certificate shall be in effect until:
 - (a) The individual obtains full certification;
 - (b) The individual fails to provide to the department the proof of progress toward full certification required by subsection (4) of this section; or
 - (c) Five (5) years have passed since the provisional certificate's issuance date.
- (4) The provisional certificate holder shall annually submit proof of progress toward full certification to the department by the anniversary of the issuance date of the provisional certificate. Failure to provide this annual proof of progress or to obtain full certification within five (5) years of the issuance of a provisional certificate shall result in the loss of the provisional certificate.

Section 4. Full Certification.

- (1) An individual who is eligible for employment as a finance officer under Section 2(2) of this administrative regulation shall apply for full certification prior to the expiration of the provisional certificate by submitting the Full Certification Application Form, KDE-FOCP-2, to the department to verify:
 - (a) Current provisional certification;
 - (b) Completion of the Kentucky Finance Officer Internship Program (KFIP) under Section 5 of this administrative regulation;
 - (c) Fifteen (15) hours of finance officer training from the Finance Officer Curriculum, KDE-FOCP-6, provided by a department-approved training provider; and
 - (d) Twelve (12) hours of training in the state-approved school district financial software package provided by a department-approved training provider.
- (2) A full certificate shall be renewed automatically unless the finance officer fails to meet the biennial continuing education requirements of Section 6 of this administrative regulation.

Section 5. Kentucky Finance Officer Internship Program (KFIP).

- (1) Within thirty (30) days of employment as a finance officer, the provisionally certified finance officer shall apply for participation in the KFIP.
- (2) The KFIP Assessment Committee shall consist of:
 - (a) The mentor assigned by the department;
 - (b) The employing district's superintendent or designee; and
 - (c) A department representative.
- (3) Mentors shall meet the following qualification requirements:
 - (a) Possess full certification under this administrative regulation or meet the requirements of Section 2(1) of this administrative regulation;
 - (b) Complete the department's mentor training; and
 - (c) Complete the Mentor Application Form, KDE-FOCP-5.
- (4) Mentors shall:
 - (a) Work with finance officer interns to develop a chronological task plan based on the Finance Officer Curriculum, KDE-FPCO-6;
 - (b) Continue the mentorship for a period of twelve (12) consecutive months;
 - (c) Document the time spent mentoring and a summary of the content on form KDE-FOCP-3;
 - (d) Document attendance by the finance officer intern at any mentoring meetings during the internship; and
 - (e) Serve as a mentor for no more than two (2) individuals concurrently.
- (5) Mentors shall be eligible to earn, as a mentor, a maximum of twenty-one (21) hours of continuing education, not to exceed one (1) hour per month, during the mentorship, toward the requirement of KRS 160.431(3) for the mentor training and mentor contact.
- (6) Mentors shall be eligible to receive from available funds an annual stipend, not to exceed \$1,000 each fiscal year per individual mentored, from the department for the

mentorship. A district may also choose to reimburse the mentor for any expenses, including travel and provide a separate, additional stipend to the mentor. If the KFIP Assessment Committee requires a finance officer intern to repeat a portion or the entire internship curriculum under subsection (9) of this section, then a mentor shall not be eligible to receive the stipend from the department for additional fiscal years of mentorship required by the KFIP Assessment Committee. The district may still reimburse and provide a stipend to a mentor of a finance officer intern in any additional fiscal years of internship required by the KFIP Assessment Committee.

(7) The KFIP Assessment Committee shall:

- (a) Assist in the development of the intern's chronological task plan required in subsection (4)(a) of this section;
- (b) Meet six (6) months after the initiation of the internship to assess progress;
- (c) Assess whether the finance officer intern completed the internship; and
- (d) Complete the Assessment Committee Report Form, KDE-FOCP-4.

(8) As part of its assessment, the KFIP Assessment Committee shall consider:

- (a) Documentation provided by the mentor, pursuant to subsection (4) of this section;
- (b) The recommendation of the finance officer intern's superintendent based on actual work performance; and
- (c) The report by the department of work product submissions and interactions.

(9) Based upon the information obtained pursuant to subsection (7) of this section, the KFIP Assessment Committee shall do one (1) of the following at the end of the internship:

- (a) Declare the internship completed;
- (b) Require the finance officer intern to repeat a portion of the internship curriculum; or
- (c) Require the finance officer intern to repeat the entire internship curriculum.

(10) The finance officer intern may request a different mentor if the KFIP Assessment Committee requires the internship to be repeated.

(11) The mentor may request to be replaced by another mentor if the KFIP Assessment Committee requires the internship to be repeated.

Section 6. Continuing Education.

(1) Fully certified finance officers and those qualified under Section 2(1) of this administrative regulation shall meet the continuing education requirements of KRS 160.431(3). A break in service for any length of time for any finance officer shall not reduce the continuing education requirements of KRS 160.431(3).

(2) Each finance officer shall complete at least twelve (12) hours of continuing education by June 30 of each fiscal year.

(3) The department shall approve continuing education courses that:

- (a) Include the following subject areas:
 - 1. Evaluation of financial staff;
 - 2. Financial system management, including payroll, purchasing, budgeting, general ledger, and financial reporting;
 - 3. Alignment of the financial budget with federal and state law requirements;
 - 4. Analysis of district financial data and provision of financial reports to the local board of education, school councils, and the department;
 - 5. Comprehension of the district vision for education and the role of district finances in accomplishing that vision;
 - 6. Interpretation, use, and communication of financial data and financial strengths and weaknesses of the district to the local board of education, school councils, and the community; or

- 7. Professional development designed to support any existing district improvement plan;
- (b) Adhere to research-based principles of adult learning;
- (c) Reflect current thinking in the field and promote generally accepted accounting practices;
- (d) Provide for active engagement of participants; and
- (e) Extend participants' learning, financial, and leadership skills.
- (4) Continuing education course providers shall:
 - (a) Structure a training program so as to improve and maintain the quality and effectiveness of the financial operations in the public school districts of the Commonwealth;
 - (b) Ensure that training is intensive and designed specifically for finance officers;
 - (c) Have an established organizational structure or be an affiliate of this type of organization;
 - (d) Develop and submit programs to the department for approval at least thirty (30) days prior to the scheduled delivery of the continuing education program;
 - (e) Maintain the necessary records to:
 - 1. Evaluate every continuing education course session;
 - 2. Track attendance; and
 - 3. Award certificates of completion to continuing education course attendees that provide the name of session, approval number, hours of continuing education credit awarded, and the name of the sponsor of the training;
 - (f) Provide evidence that the assigned trainers have knowledge, skill, and experience relevant to the particular training;
 - (g) Conduct training as approved; and
 - (h) Identify in all program promotional literature the following:
 - 1. The two (2) year cycle for which training approval is granted;
 - 2. The subject areas for which training is approved; and
 - 3. The approval number assigned by the department for finance officer continuing education course eligibility.

Section 7. Revocation and Appeal for Reinstatement of Full Certification.

- (1)
 - (a) Failure to meet the annual requirement of twelve (12) hours of continuing education of Section 6(2) of this administrative regulation shall result in a temporary suspension of a finance officer's full certification.
 - (b) The department shall notify the district superintendent of the temporary suspension.
 - (c) The certificate holder shall complete the required number of hours of continuing education by the end of the biennial period.
 - (d) Three (3) temporary suspensions shall result in revocation of the full certification.
- (2) Failure to meet the biennial requirement of forty-two (42) hours of continuing education shall result in revocation of the full certification.
- (3) The certificate holder may appeal to the department for reinstatement of a provisional or full certification which has been revoked under subsections (1) or (2) of this section if:
 - (a) The certificate holder requests reinstatement and provides supporting documentation to the department; and
 - (b) The certificate holder has fulfilled all requirements of the provisional or full certification including the required continuing education for the latest fiscal year.
- (4) The department shall review and make a determination regarding reinstatement within thirty (30) days of receipt of the appeal. The department shall reinstate a certificate holder who has met the requirements of subsection (3) of this section.

Section 8. Grandfather Status.

(1) An individual who is eligible for grandfather status pursuant to Section 2(1) of this administrative regulation shall submit the Provisional Certification Application Form, KDE-FOCP-1, to the department.

(2) An individual with grandfather status may obtain full certification if either:

(a) The department approves the individual as a mentor in the KFIP in accordance with the requirements of this administrative regulation; or

(b) The individual meets all provisional and full certification requirements, including successful completion of the KFIP.

Section 9. Incorporation by Reference.

(1) The following material is incorporated by reference:

(a) "Provisional Certification Application", FOCP-1, July 2015;

(b) "Full Certification Application", FOCP-2, July 2015;

(c) "Intern Progress Report", FOCP-3, July 2015;

(d) "Assessment Committee Report", FOCP-4, July 2015;

(e) "Mentor Application", FOCP-5, July 2015; and

(f) "Finance Officer Curriculum", FOCP-6, July 2015.

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Department of Education, 500 Mero Street, First Floor, Capital Plaza Tower, Frankfort, Kentucky 40601, Monday through Friday, 8 a.m. to 4:30 p.m.

(41 Ky.R. 1728; 2012; 2220; eff. 6-5-2015.)