

1 AN ACT relating to education.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 158.785 is amended to read as follows:

- 4 (1) The Kentucky Board of Education shall establish a program to improve specific
5 aspects of the management of local school districts as described in KRS 158.780.
- 6 (2) The State Department of Education shall, pursuant to administrative regulations
7 promulgated by the Kentucky Board of Education, collect and review data relative
8 to the instructional and operational performance of local school districts. When a
9 review of the data or of any other information, including site investigations of local
10 management practices, indicates the presence of critically ineffective or inefficient
11 management, the chief state school officer shall order a management audit of the
12 governance and administration of the district. A local school board or
13 superintendent may also request a management audit of the district.
- 14 (3) ***A management audit shall include an on-site review, investigation, and analysis***
15 ***of the governance and administration of the school district in the following areas:***
- 16 ***(a) Planning, meaning to develop, adopt, and implement planning processes***
17 ***that allow for public review and timely action by the board and***
18 ***administration regarding management of the administrative and business***
19 ***activities of the school district and of the management of the instructional***
20 ***program;***
- 21 ***(b) Operational support, meaning to provide the operational support services***
22 ***required to operate an efficient and effective school system, including:***
- 23 ***1. Maintenance and operation of the physical plants to maintain school***
24 ***building cleanliness and safety, including:***
- 25 ***a. Develop and maintain an accurate record of maintenance needs***
26 ***and expenditures;***
- 27 ***b. Budget and expend funds necessary to maintain the physical***

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plant;

c. Employ maintenance and operation staff who provide clean and safe school buildings;

d. Make efficient use of personnel as indicated by excessive staffing when compared to school districts of similar size and funding;

e. Make repairs that prevent costly and unnecessary maintenance expenditures; and

f. Ensure that existing facilities are adequately insured;

2. Facility construction, meaning to manage a school facility construction program that is in compliance with state requirements and is planned, executed, and completed to ensure that public funds are expended in a responsible manner, including:

a. Develop and implement a planning process for identifying the need for new or improved facilities;

b. Maintain an up-to-date facility survey and ensure that regulatory approvals are secured;

c. Develop and implement plans to receive the allowable benefit from the School Facilities Construction Commission;

d. Follow proper bidding requirements and develop and maintain accurate records of expenditures and authorization of expenditures on school construction projects; and

e. Institute an administrative oversight process to ensure that facility construction activities are efficient and accountable for both local and state funds;

3. Maintenance and operation of the transportation system, meaning to provide and maintain an efficient transportation system, including:

a. Provide training for personnel responsible for the safe

- 1 transportation of children in accordance with Kentucky Board of
2 Education administrative regulations;
3 b. Develop and implement policies and procedures regarding the
4 use of district-owned vehicles;
5 c. Purchase and maintain equipment to safely and efficiently
6 transport children to school;
7 d. Establish transportation routes that minimize public expenditure
8 and time children spend en route to and from school; and
9 e. Follow bidding requirements for the purchase of equipment and
10 materials necessary to conduct the school's transportation
11 program;
12 4. School food services, meaning to develop an efficient system of school
13 food services, including:
14 a. Develop and maintain an accurate record of school food service
15 expenditures;
16 b. Utilize federal and local resources to operate a nutritious
17 program in a cost-effective manner;
18 c. Employ or contract with food service staff who provide meals in
19 accordance with federal and state guidelines; and
20 d. Make efficient use of personnel as indicated by excessive staffing
21 when compared to school districts of similar size and funding;
22 (c) Fiscal management, meaning to perform the appropriate planning,
23 budgeting, fund management, and accounting responsibilities required for
24 the fiscal management of the school district, including:
25 1. Assess the need for expenditures;
26 2. Recommend use of available funds according to an established set of
27 priorities;

1 3. Maintain accurate records of expenditures and authorization of
 2 expenditures as required for auditing purposes;

3 4. Comply with purchasing requirements applicable to school districts;
 4 and

5 5. Implement investment policies to ensure that all public funds are
 6 invested safely and productively;

7 (d) Personnel administration, meaning to ensure that school district staff are
 8 prepared to perform the required professional and staff responsibilities in
 9 an effective and efficient manner, including:

10 1. Develop and implement employment practices and procedures that
 11 ensure the selection and placement of the most qualified personnel;
 12 and

13 2. Train and evaluate the professional staff of the district as required by
 14 applicable laws; and

15 (e) Instructional management, meaning to develop and maintain district-level
 16 instructional policy, including:

17 1. Maintain a curriculum consistent with applicable laws; and

18 2. Provide the resources necessary to support the instructional program.

19 (4) Deficiencies identified and established in some or all of the factors listed in
 20 subsection (3) of this section may constitute a pattern of a significant lack of
 21 effectiveness and efficiency in the governance and administration of the school
 22 district.

23 (5) If a management audit, conducted for any of the reasons set forth in subsection (2)
 24 of this section, indicates that there is a pattern of a significant lack of efficiency and
 25 effectiveness in the governance or administration of a school district, the chief state
 26 school officer shall recommend the district to the Kentucky Board of Education[
 27 either] as a "state assisted district[" or a "state-managed district]."

1 ~~(6)~~~~(4)~~ The Kentucky Board of Education shall promulgate an administrative
 2 regulation establishing a procedure for considering the recommendation of the chief
 3 state school officer to declare a district a "state assisted district" or a "state managed
 4 district." This procedure shall fully comply with the procedures for administrative
 5 hearings established in KRS Chapter 13B.

6 ~~(7)~~~~(5)~~ When the chief state school officer presents a recommendation to the state
 7 board for designation as a "state assisted district," ~~or a "state managed district,"~~ he
 8 ***or she*** shall establish the following:

- 9 (a) Existence of a pattern of a significant lack of efficiency and effectiveness in
 10 the governance or administration of the school district;
- 11 (b) The pattern of a significant lack of efficiency and effectiveness in the
 12 governance or administration of the school district continues to exist; and
- 13 (c) State assistance ~~or state management~~ is necessary to correct the
 14 inefficiencies and ineffectiveness.

15 ~~(8)~~~~(6)~~ When a district is designated a "state assisted district" under subsection
 16 ~~(6)~~~~(4)~~ of this section, the following actions shall be required of the chief state
 17 school officer:

18 (a) ***Provide the district with a written list of specific deficiencies found as part***
 19 ***of the management audit with clear indicators that must be achieved and a***
 20 ***time frame for correction of the deficiencies in order to exit "state assisted***
 21 ***district" status;***

22 (b) ***Provide*** management assistance ~~shall be provided~~ to the district to develop
 23 and implement a plan to correct deficiencies found ~~in~~ ***and set forth as a***
 24 ***result of*** the management audit;~~[-]~~

25 ~~(c)~~~~(b)~~ ~~[The Department of Education shall]~~ Monitor the ~~development and~~
 26 implementation of the correctional plan to improve the governance or
 27 administration of the school district;~~[-]~~

1 (d) Remove the "state assisted district" designation if the district corrects all
 2 deficiencies as set forth as a result of the management audit; and

3 (e) Recommend to the Kentucky Board of Education to declare the district a
 4 "state managed district" if, after at least two (2) school years of being a
 5 "state assisted district":

6 1. The chief state school officer determines that the plan is being
 7 inadequately ~~developed or~~ implemented~~;~~;

8 2. There still exists critically ineffective or inefficient governance or
 9 administration; and

10 3. Continued status as a "state assisted district" is not in the best interest
 11 of the students.~~[he shall make a recommendation to the Kentucky Board~~
 12 ~~of Education to declare the district a "state managed district."]~~

13 (9)~~(7)~~ The chief state school officer may recommend a school district to the state
 14 board for designation as a "state managed district" if he or she establishes any of
 15 the following:

16 (a) Credible findings of criminal malfeasance by district personnel;

17 (b) Insolvency of the district; or

18 (c) Inadequate progress as a "state assisted district" as set forth in subsection
 19 (8)(e) of this section.

20 (10) If the state board designates a district a "state managed district" under subsection
 21 (6)~~(4)~~ of this section, the following actions shall be required of the chief state
 22 school officer only as they pertain to the findings established in subsection (8) of
 23 this section:

24 (a) ~~[All]~~Administrative, operational, financial, personnel, and instructional
 25 aspects of the management of the school district formerly exercised by the
 26 local school board and the superintendent and pertaining to the findings
 27 established in subsection (8) of this section shall be exercised by the chief

1 state school officer or his *or her* designee.

2 (b) Any local school board member or the local superintendent may be removed
3 from office by the Kentucky Board of Education pursuant to KRS 156.132.

4 (c) Notwithstanding any statute to the contrary, after thirty (30) days after a
5 district becomes a "state managed district" any appointment to an
6 administrative position may be revoked by the chief state school officer and
7 the individual employee may be reassigned to any duty for which that person
8 is qualified. The chief state school officer shall provide to the reassigned
9 employee written reasons for the reassignment. The individual shall not be
10 dismissed from subsequent employment except as provided by KRS 156.132
11 and 161.790.

12 (d) The chief state school officer shall make ~~the~~ administrative appointments as
13 necessary to correct the findings established in subsection (8) of this
14 section~~exercise full and complete control of all aspects of the management of~~
15 ~~the district~~. The chief state school officer, through the appointments, may
16 make ~~any and all~~ decisions that pertain to the findings established in
17 subsection (8) of this section and previously made by the local school board
18 and the local superintendent. The chief state school officer shall retain clear
19 supervisory and monitoring powers over the operation and management of the
20 district pertaining to the findings established in subsection (8) of this
21 section.

22 ~~(11)~~~~(8)~~ A school district shall be designated as a "state managed district" until the
23 Kentucky Board of Education determines that the pattern of ineffective and
24 inefficient governance or administration and the specific deficiencies determined by
25 the management audit have been corrected. Each year following the school year in
26 which the designation of a "state managed district" was made, the chief state school
27 officer shall report the status of the corrective action being taken to the Kentucky

1 Board of Education. No local school district shall remain in the status of a "state
2 managed district" longer than three (3) consecutive school years unless the
3 Kentucky Board of Education extends the time after a complete review of a new
4 management audit. Any judicial review of actions taken by the chief state school
5 officer or the board under KRS 158.780 or this section shall be in accordance with
6 the provisions for conducting judicial review of administrative hearings outlined in
7 KRS Chapter 13B.

8 ➔Section 2. KRS 156.029 is amended to read as follows:

- 9 (1) There is hereby established a Kentucky Board of Education, which shall consist of
10 eleven (11) members appointed by the Governor and confirmed by the Senate and
11 the House of Representatives of the General Assembly, with the president of the
12 Council on Postsecondary Education serving as an ex officio nonvoting member.
13 Seven (7) members shall represent each of the Supreme Court districts as
14 established by KRS 21A.010, and four (4) members shall represent the state at
15 large. Each of the appointed members shall serve for a four (4) year term, except the
16 initial appointments shall be as follows: the seven (7) members representing
17 Supreme Court districts shall serve a term which shall expire on April 14, 1994; and
18 the four (4) at-large members shall serve a term which shall expire on April 14,
19 1992. Subsequent appointments shall be submitted to the Senate and to the House
20 of Representatives for confirmation in accordance with KRS 11.160. Each
21 appointment by the Governor shall be agreed upon by both chambers in order for
22 the person to be confirmed. Each confirmed appointee shall take office on April 15.
- 23 (2) Appointments shall be made without reference to occupation, political affiliation, or
24 similar consideration, except that effective with the first two (2) vacancies of the
25 at-large members occurring after the effective date of this Act, two (2) of the at-
26 large members shall be current or retired elementary or secondary educators. ~~†No~~
27 ~~member at the time of his appointment or during the term of his service shall be~~

1 ~~engaged as a professional educator.~~ Pursuant to KRS 63.080, a member shall not
2 be removed except for cause.

3 (3) A vacancy in the membership of the board shall be filled by the Governor for the
4 unexpired term with the consent of the Senate and the House of Representatives. In
5 the event that the General Assembly is not in session at the time of the appointment,
6 the consent of the Senate and the House of Representatives shall be obtained during
7 the time the General Assembly next convenes.

8 (4) At the first regular meeting of the board in each fiscal year, a chairperson shall be
9 elected from its voting membership.

10 (5) The members shall be reimbursed for actual and necessary expenses incurred in the
11 performance of their duties.

12 (6) The commissioner of education shall serve as the executive secretary to the board.

13 (7) The primary function of the board shall be to develop and adopt policies and
14 administrative regulations, with the advice of the Local Superintendents Advisory
15 Council, by which the Department of Education shall be governed in planning,
16 coordinating, administering, supervising, operating, and evaluating the educational
17 programs, services, and activities within the Department of Education which are
18 within the jurisdiction of the board.

19 ➔Section 3. KRS 156.040 is amended to read as follows:

20 (1) As used in this section, "relative" means father, mother, brother, sister, husband,
21 wife, son, daughter, aunt, uncle, son-in-law, and daughter-in-law.

22 (2) A member of the Kentucky Board of Education shall:

23 (a) Be at least thirty (30) years of age;

24 (b) Have at least an associate degree or its equivalent;

25 (c) Have been a resident of Kentucky for at least three (3) years preceding the
26 member's appointment;

27 (d) Not hold a state office requiring the constitutional oath;

- 1 (e) Not hold any elective federal, state, county, or city office~~[Not be a member of~~
- 2 ~~the General Assembly;~~
- 3 (f) ~~Not hold or discharge the duties of any civil or political office, deputyship, or~~
- 4 ~~agency under the city or county of his or her residence];~~
- 5 (f)(g) Not be directly or indirectly interested in the sale to the Kentucky Board
- 6 of Education or the Department of Education of books, stationery, or any other
- 7 property, materials, supplies, equipment, or services for which board or
- 8 department funds are expended;
- 9 (g)(h) Not have a relative as defined in subsection (1) of this section who is
- 10 employed by the Department of Education; and
- 11 (h)(i) Not have been removed from the board for cause~~]; and~~
- 12 (j) ~~Not be engaged as an elementary or secondary education professional~~
- 13 ~~educator].~~
- 14 (3) Appointments to the board shall be made without reference to occupation, political
- 15 affiliation, or similar considerations, except as required by subsection (2) of
- 16 Section 2 of this Act.