

**702 KAR 3:150. Audit exceptions and corrections.**

RELATES TO: KRS 156.031, 156.070, 156.265, 160.340

STATUTORY AUTHORITY: KRS 156.070

NECESSITY, FUNCTION, AND CONFORMITY: KRS 156.031 requires that administrative regulations relating to statutes amended by the 1990 Kentucky Education Reform Act be reviewed, amended if necessary and resubmitted to the Legislative Research Commission prior to December 30, 1990; and KRS 156.070 delegates the management and control of the common schools to the State Board for Elementary and Secondary Education; KRS 156.265 requires periodic and special audits of local school districts; and KRS 160.340 requires reports by local boards to the State Board for Elementary and Secondary Education on all phases of school service. This administrative regulation is necessary to provide a procedure for correcting exceptions identified in the independent audit authorized by the State Committee for School District Audits.

Section 1. All local boards of education shall be required to report to the chief state school officer, in writing, progress being made to correct exceptions appearing in school audits authorized by the State Committee for School District Audits or, in writing, justify any failure to correct exceptions appearing in any school audit authorized by the State Committee for School District Audits.

Section 2. Reports referred to in Section 1 of this administrative regulation shall be due to the chief state school officer forty-five (45) days after receipt of the audit report by the local board or no later than December 31 following the close of the fiscal year, whichever occurs first.

(SBE 21.325; 1 Ky.R. 72; eff. 11-13-1974; 17 Ky.R. 2020; eff. 2-7-1991; Crt eff. 11-16-2018; Crt eff. 3-27-2025.)