

STATE OF OKLAHOMA

2nd Session of the 49th Legislature (2004)

COMMITTEE SUBSTITUTE  
FOR  
SENATE BILL 1112

By: Corn

COMMITTEE SUBSTITUTE

[ schools and state government - technology center  
school districts - board member term of office -  
performance audits - codification - effective date -  
emergency ]

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 70 O.S. 2001, Section 14-108, as last amended by Section 1, Chapter 50, O.S.L. 2003 (70 O.S. Supp. 2003, Section 14-108), is amended to read as follows:

Section 14-108. A. The State Board of Career and Technology Education shall prescribe criteria and procedures for the establishment and governance of technology center school districts, as provided by Section 9B~~7~~ of Article X~~7~~ of the Oklahoma Constitution, and such districts so established shall be operated in accordance with rules of the State Board of Career and Technology Education, except as otherwise provided in this title.

B. A technology center school district shall be a body corporate and shall possess the usual powers of a corporation for public purposes. Its official name shall be designated by the State Board of Career and Technology Education, in which name it may sue and be sued, and be capable of contracting and being contracted with, and holding real and personal estate. Its governing board shall be a board of education consisting of not less than five (5) nor more than seven (7) members elected in a manner prescribed by the State Board of Career and Technology Education. ~~Such~~ The State

Board shall limit district board terms that begin on or after the effective date of this act to no more than five (5) years. A technology center district board of education shall have the same powers and duties that boards as a board of education of for an independent school districts have district. It A technology center district board may require nonresident students to pay reasonable tuition fees, which may be paid for a student by the independent or elementary school district in which the student resides.

C. An election to vote on the question of making a levy of not to exceed five (5) mills on the dollar valuation of the taxable property in a technology center school district under the provisions of subsection A of Section 9B of Article X of the Oklahoma Constitution shall be called by the board of education and conducted by the county election board of such district in the same manner that elections for emergency levies in school districts under the provisions of subsection (d) of Section 9(d) of Article X of the Oklahoma Constitution, are called and conducted. When such levy is approved by a majority of the electors of the technology center school district voting on the question at such election, the levy shall be made each fiscal year thereafter until repealed by a majority of the electors of the district voting on the question at an election called for such purpose. An election to vote on the question of making a local incentive levy of not to exceed five (5) mills on the dollar valuation of the taxable property in a technology center school district under the provisions of subsection B of Section 9B of Article X of the Oklahoma Constitution, may be called by the board of education; and elections on a levy for a building fund for an area school district under the provisions of Section 10, Article X, Oklahoma Constitution, shall be called by the board of education of such district and conducted by the county election board in the same manner that elections for similar levies are called and conducted in independent school districts.

D. Annual estimates of needs of technology center school districts shall be made and approved in the same manner that those of independent school districts are made and approved. Provided, that the State Board of Career and Technology Education shall prescribe a list of appropriation accounts by which the funds of technology center school districts shall be budgeted, accounted for and expended. Any such estimate of needs may include an estimate of federal funds as probable income from sources other than ad valorem tax of the district and other than any excise or other tax assessed by legislative enactment and distributed in lieu of ad valorem taxes. If a technology center school district lies in more than one county, the district's estimate of needs shall be filed with and approved by the county excise board of the county designated by the school district board of education.

E. Territory may be annexed to or detached from a technology center school district, in accordance with rules prescribed by the State Board of Career and Technology Education. If the State Board of Career and Technology Education requires the submission of a petition in order for an election to be called for the purpose of annexation or deannexation of territory to a technology center school district, such petition shall not be required to bear a number of technology center school district electors' signatures which exceed fifty percent (50%) of the number of technology center school district electors who voted in the last school board election in the territory proposed to be annexed or deannexed. Provided, the period of time from which the petition is initiated to its time of filing with the State Board shall not exceed ninety (90) days.

F. Schools of technology center school districts shall be subject to classification, inspection and accreditation by the State Board of Education.

G. The technology center school board of education may designate a county treasurer to serve as treasurer of the school district or may appoint an independent treasurer.

H. Within four (4) years after the creation of a technology center school district, such school district may, at its discretion, permit a teacher to transfer any or all accrued benefits upon employment including credit for years of service in the previous school district by the technology center school district, if the teacher at the time of hiring is employed as a teacher by an independent or elementary school district which is all or partly within the boundaries of the technology center school district or is employed as a teacher in a skills center within the boundaries of the school district.

I. The board of education of a technology center school district may convey personal property without consideration to a school district that is within the boundary of the technology center school district or a public school offering secondary level education which was created and is operated by the State of Oklahoma and that is within the boundary of the technology center school district.

J. The board of education of a technology center school district may, without prior approval of the State Board of Career and Technology Education, approve all plans and specifications for technology center school buildings, additions, and major modifications to school buildings that are designed to provide for the offering of vocational-technical education programs and services when the cost of the building project is to be paid with local levies or state bond monies or both local levies and state bond monies.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 14-130 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. The State Board of Career and Technology Education shall establish procedures for conducting performance audits of technology center school districts. The audits shall review areas including, but not limited to, the following:

1. Expenditures;
2. Administrative costs;
3. Student enrollment;
4. Equipment;
5. Purchasing policies;
6. Personnel policies;
7. Travel policies;
8. Finances;
9. Teacher and administrator salaries and benefits; and
10. Procedures.

B. The State Department of Career and Technology Education shall ensure that a minimum of twenty percent (20%) of the technology center school districts are subjected to performance audits at random each year. The Department is further authorized to conduct a performance audit of a district at any time at the discretion of the Board. The audits shall report deficiencies, policy noncompliance, inadequate policies, and any other items the Board deems appropriate. Each district shall prepare a corrective action plan in response to the audit, if necessary. Audit reports and corrective action plans shall be provided to members of the State Board in an open meeting of the Board.

C. The Department shall provide technical assistance to any district at the direction of the Board. The Department shall provide reports on district progress in complying with its corrective action plan to the Board at intervals determined by the Board. The Board shall have authority to assume the administration and supervision of any district that fails to comply with the corrective action plan as approved by the State Board.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 14-131 of Title 70, unless there is created a duplication in numbering, reads as follows:

Technology center school district administrators and board members shall be prohibited from participating in, or benefiting from, projects involving the use of district employee or student labor on privately owned real or personal property. For purposes of this section, technology center school district administrators include superintendents, deputy superintendents, assistant superintendents, and campus directors. The State Board of Career and Technology Education shall adopt rules to implement the provisions of this section.

SECTION 4. AMENDATORY 74 O.S. 2001, Section 213, is amended to read as follows:

Section 213. A. It shall be the duty of the State Auditor and Inspector to examine and report upon the books and financial accounts of the public, educational, charitable, penal and reformatory institutions belonging to the state; to prescribe and enforce correct methods of keeping financial accounts of the state institutions and instruct the proper officers thereof in the performance of their duties concerning the same; to examine the books and accounts of all public institutions under the control of the state at least once each year. Any officer of such public, educational, charitable, penal and reformatory institutions who shall refuse or willfully neglect to comply with such direction of the State Auditor and Inspector within a reasonable time shall be guilty of a misdemeanor.

B. Each board of regents of institutions in The Oklahoma State System of Higher Education shall require a quality control review of the internal audit function required pursuant to subsection D of Section 3909 of Title 70 of the Oklahoma Statutes for each institution under its governance at least once every three (3)

years. This review shall be in accordance with the "Quality Assurance Review Manual for Internal Auditing" developed by the Institute of Internal Auditors or any successor organization thereto. A copy of the report on the quality control review shall be filed with the State Auditor and Inspector.

C. The State Auditor and Inspector shall perform a special audit on ~~common~~ an independent or elementary school districts and technology center districts district upon receiving a written request to do so by any of the following: the Governor, Attorney General, President Pro Tempore of the Senate, Speaker of the House of Representatives, or the State Board of Education. The State Auditor and Inspector shall perform a special audit on a technology center school district upon receiving a written request to do so by any of the following: the Governor, Attorney General, President Pro Tempore of the Senate, Speaker of the House of Representatives, the State Board of Education, the State Board of Career and Technology Education, or the technology center school district board. The State Auditor and Inspector shall perform a special audit on any institution of higher education within The Oklahoma State System of Higher Education whenever the State Auditor and Inspector deems it appropriate or upon receiving a written request to do so by any of the following: the Governor, the Attorney General, the President Pro Tempore of the Senate, the Speaker of the House of Representatives, the governing board of the institution of higher education, or the president of the institution of higher education. The special audit shall include, but not necessarily be limited to, a compliance audit. The special audit shall be conducted according to the American Institute of Certified Public Accountants' "Statements on Auditing Standards". Such audits shall be designed to review items for management's compliance with statutes, rules, policies and internal control procedures or other items applicable to each entity. The costs of any such audit shall be borne by the

audited entity and may be defrayed, in whole or in part, by any federal funds available for that purpose.

D. The State Auditor and Inspector shall perform a special audit without notice on the office of any district attorney or on any division of the Department of Corrections upon receiving a written request to do so by any of the following: the Governor, the Attorney General, or joint request of the President Pro Tempore of the Senate and the Speaker of the House of Representatives. The State Auditor and Inspector shall perform a special audit without notice on any penal institution, corrections program, contract for service or prison bed space provided to the Department of Corrections, or any program administered by a district attorney's office or staff of such office whenever the State Auditor and Inspector deems it appropriate or upon receiving a written request to do so by any of the following: the Governor, the Attorney General, or joint request of the President Pro Tempore of the Senate and the Speaker of the House of Representatives. The special audit shall include, but not necessarily be limited to, a compliance audit. Such audits shall be designed to review items for compliance with statutes, rules, policies and internal control procedures or other items applicable to each entity. The costs of any such audit shall be paid by the state agency and may be defrayed, in whole or in part, by any federal funds available for that purpose through any audited program.

SECTION 5. This act shall become effective July 1, 2004.

SECTION 6. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.