

ENGROSSED HOUSE
BILL NO. 2391

By: Blackburn of the House

and

Williams of the Senate

(career and technology education - amending 70 O.S.,
Sections 14-106 and 14-103 - technology center
schools and colleges - audits - amending 74 O.S.,
Section 213 - State Auditor and Inspector -
codification -

effective date)

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

SECTION 1. AMENDATORY 70 O.S. 2001, Section 14-106, is amended to read as follows:

Section 14-106. A. The Oklahoma Department of Career and Technology Education may operate and maintain an equipment pool, at which there shall be kept equipment for the use of technology center school districts and schools supported by public funds, and ~~said~~ the department and schools shall be eligible for surplus property and equipment.

B. Whenever the Department determines that any ~~such~~ district or school has, and does not have a need for, equipment purchased wholly or partly with state or federal funds, it may, if consistent with federal laws and regulations, order the equipment transferred to the equipment pool, ~~and the~~ The district or school, or officials thereof, shall ~~thereupon~~ have the duty to comply with ~~such~~ the order to transfer equipment. ~~Provided, any~~ Any equipment which has been purchased wholly or in part with local school funds shall require

the concurrence of the governing board of that local school before the equipment shall be transferred to the state equipment pool.

C. Whenever the Department determines that a technology center school district or school supported by public funds has a need for any equipment in the equipment pool, the Department may transfer the equipment to ~~such~~ the district or school.

D. The State Board of Career and Technology Education shall adopt and enforce ~~such~~ any rules as it deems necessary to carry out the provisions of this section.

SECTION 2. AMENDATORY 70 O.S. 2001, Section 14-103, is amended to read as follows:

Section 14-103. The State Board of Career and Technology Education shall have the following powers and duties:

1. Have the supervision of the Oklahoma Department of Career and Technology Education of the State Board of Career and Technology Education, which Department shall keep its principal offices at Stillwater, and appoint and fix the compensation and duties of the Director and other personnel of such Department.

2. ~~Have the supervision of~~ Adopt policies and promulgate rules for the operation of the Oklahoma Department of Career and Technology Education and the technology center schools and colleges of Oklahoma, except Oklahoma State University of Technical Training at Okmulgee and the Oklahoma State University Technical Institutes at Oklahoma City and Stillwater, which, however, shall be eligible to participate in federal programs administered by the State Board of Career and Technology Education as hereinafter provided.

3. Cooperate with, and enter into agreements with, and administer programs of, and receive federal funds from, the United States Department of Education and other federal agencies in matters relating to vocational and technical education, youth apprenticeship programs, and manpower training, and be the sole state agency for such purposes. Provided that, programs and funds made available

through the Job Training Partnership Act, or its successor programs, shall be excluded.

4. Provide for the formulation and adoption of curricula, courses of study, and other instructional aids necessary for the adequate instruction of students in the technology center schools and colleges of this state. It is the intent of the Legislature that instructional models for vocational students should include higher standards of academic work with increased emphasis on communication, computation and applied science.

5. Develop a plan to provide adequate vocational offerings accessible to all students having the ability to benefit.

6. Purchase or otherwise acquire equipment, materials, supplies and other property, real or personal, as may be necessary for the operation of the technology center schools of this state, and provide for the maximum utilization of such property through a coordinated and cooperative use thereof, including transfer of title to real and personal property to a technology center school district for a reasonable cash consideration if said property is to be utilized in a vocational-technical program administered by the technology center district board of education. Any conveyance of real property for a reasonable consideration shall contain a reversionary clause by which the real property shall revert to the State Board of Career and Technology Education if the property ceases to be used in a vocational-technical program administered by the technology center district board of education.

7. Enter into such agreements and contracts with the State Board of Education, boards of trustees of community junior colleges, boards of education of independent and elementary school districts, boards of education of school districts for technology center schools, private educational or training institutions, public or private industry, and boards of directors of community action

programs, as may be necessary or feasible for the furtherance of vocational and technical training within this state.

8. Cooperate and enter into agreements with the Oklahoma State Regents for Higher Education.

9. Cooperate with the State Department of Education in developing hands-on career exploration activities for students in grades 6 through 10, integrating academic competencies into vocational instruction, and ensuring counseling of all students in order to minimize the number of students graduating from high school without having completed either a vocational-technical program or college preparation.

10. Develop and periodically update a plan to allow teacher training and the purchase and installation of technological equipment necessary to modernize vocational educational programs.

11. Accept and provide for the administration of any land, money, buildings, gifts, funds, donations or other things of value which may be offered or bequeathed to the schools or colleges under the supervision or control of said Board.

12. Enter into cooperative arrangements with one or more other states for the conduct and administration of programs, services and activities.

13. Cooperate whenever possible, to avoid any duplication of training programs with any established training program registered by the Bureau of Apprenticeship and Training, United States Department of Labor.

14. Have the authority to request or perform random performance and investigative audits of technology center school districts.

15. Promulgate rules governing the classification, inspection, and supervision of all public career technology programs and technology center school districts.

16. Have authority to require persons having administrative control of all technology center school districts to make regular

and special reports regarding the activities of the schools as the Board may deem necessary for the proper exercise of its duties and functions. Such authority shall include the right of the Board to withhold all state funds under its control, and to withhold official recognition until such required reports have been filed and accepted in the office of the Board.

17. Prescribe all forms for technology center school districts to report to the Board where required.

18. Provide for the establishment of a uniform system of student and personnel accounting, records and reports.

19. Have authority to provide for the health and safety of students and school personnel while under the jurisdiction of school authorities.

20. Have authority and be required to perform all duties necessary to the administration of the technology center school system in Oklahoma as specified in the Oklahoma Statutes, and in addition, those duties not specifically mentioned herein if not delegated by law to any other agency or official.

21. Have the authority to review preliminary plans for new construction and major alteration of technology center school district buildings where structural changes are proposed. No bids shall be let for the construction or major alteration of any technology center school building until preliminary plans and specifications for such construction or alteration have been submitted to and reviewed by the Oklahoma State Department of Career and Technology Education. The period of time during which such review is conducted by the Oklahoma State Department of Career and Technology Education shall not exceed thirty (30) days. The Oklahoma State Department of Career and Technology Education shall advise each technology center school district regarding the review of preliminary plans and specifications. Provided, nothing in this

paragraph shall be construed as repealing any ordinance or building code of any city, town or county.

SECTION 3. 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 and investigative 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 enrollments;
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 request performance audits to be conducted on two technology center school districts by the Oklahoma State Auditor and Inspector during the fiscal year beginning July 1, 2005, and thereafter shall ensure that various technology center school districts are subjected to performance audits at random each year. At its discretion, the State Board of Career and Technology Education may choose to pay for the cost of a performance audit conducted on a technology center school district by the Oklahoma State Auditor and Inspector. The Department is further authorized to conduct a performance or investigative 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 Board in an open meeting of the Board.

C. The Department shall provide technical assistance to any district at the discretion 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 Board.

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 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. 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 promulgate rules to implement the provisions of this section.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 14-132 of Title 70, unless there is created a duplication in numbering, reads as follows:

The State Board of Career and Technology Education shall promulgate rules to prohibit technology center school district boards from employing as superintendent any person convicted of a civil or criminal act involving financial malfeasance.

SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 14-133 of Title 70, unless there is created a duplication in numbering, reads as follows:

The State Board of Career and Technology Education shall promulgate rules to require each technology center school district to report on any contracts or expenditures for a person who is related within the second degree of consanguinity or affinity to an administrator in the district. The Oklahoma State Department of Career and Technology Education shall make semiannual reports to the State Board on such information.

SECTION 8. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 14-134 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. For the fiscal year beginning July 1, 2005, and each year thereafter, the State Board of Career and Technology Education shall allocate any funds appropriated by the state for the technology center school districts that are in excess of the funds appropriated for districts for the fiscal year beginning July 1, 2004, by a formula that is designed to achieve equity in total local and state revenue regardless of prior year funding.

B. For the fiscal year beginning July 1, 2005, the State Board of Career and Technology Education shall substantially increase and

maintain the level of state financial support to career technology programs in the public comprehensive high schools.

SECTION 9. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 14-135 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. There is hereby created the Task Force on Career Technology Center District Finance.

B. The purpose of the Task Force on Career Technology Center District Finance is to study the current finance and funding system for the technology center school districts and make recommendations for revisions to achieve greater equity and equal educational opportunity for all career technology students in Oklahoma. In this endeavor the Task Force shall examine any other studies of Oklahoma vocational-technical finance and funding that have occurred in the past twenty (20) years, and any readily available information on career and technology education finance in other states. The Task Force shall include the following technology center school district issues in its study:

1. The effect of automatic base-year funding levels on equity;
 2. Amounts carried over from one fiscal year to another in the school district general and building funds;
 3. The availability of programs and services across the state;
- and
4. The current assessed taxable value of property and the population in the school district.

C. The Task Force shall be comprised as follows:

1. Three members to be appointed by the Speaker of the Oklahoma House of Representatives, one of whom shall be designated the chair of the Task Force;
2. Three members to be appointed by the President Pro Tempore of the Oklahoma Senate, one of whom shall be designated the vice-chair of the Task Force;

3. Three members to be appointed by the Governor.

Initial appointments shall be made by September 1, 2004.

Appointees shall serve at the pleasure of the appointing authority.

D. The Task Force shall issue a report by February 1, 2005, that addresses its purposes as provided in subsection B of this section, and that may include recommendations. The report shall be distributed to the Governor, the Speaker of the Oklahoma House of Representatives, the President Pro Tempore of the Oklahoma Senate, the Chairs of the Career Technology Education Committees in both houses, the State Board of Career and Technology Education, the Oklahoma State Department of Career and Technology Education, and any other entities deemed appropriate by the Task Force.

E. The Oklahoma State Department of Career and Technology Education shall provide staffing for the Task Force.

F. Members of the Task Force shall receive no compensation for serving on the Task Force, but shall be reimbursed for travel pursuant to the Oklahoma Travel Reimbursement Act by their appointing agency.

SECTION 10. This act shall become effective November 1, 2004.

Passed the House of Representatives the 11th day of March, 2004.

Presiding Officer of the House of
Representatives

Passed the Senate the ____ day of _____, 2004.

Presiding Officer of the Senate