

and

Morgan (Fred) of the House

[schools - budget and operations - performance
reviews -

effective date]

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

SECTION 1. AMENDATORY 70 O.S. 2001, Section 3-118.1, as amended by Section 1, Chapter 446, O.S.L. 2002 (70 O.S. Supp. 2004, Section 3-118.1), is amended to read as follows:

Section 3-118.1 A. The Office of Accountability is hereby authorized to conduct a performance review program to determine the effectiveness and efficiency of the budget and operations of school districts that have ~~administrative~~:

1. Administrative service costs which are above the expenditure limits established for school districts in Section 18-124 of this title or have total expenditures in excess of the district's adopted budget;

2. At least one school identified for school improvement as determined by the State Board of Education pursuant to the requirements of the No Child Left Behind Act of 2001, P.L. No. 107-110;

3. Had a request for a performance review submitted by the Governor or the State Superintendent of Public Instruction; or

4. Submitted a request for a performance review subsequent to a majority vote of the district's board of education.

B. Funds appropriated by the Legislature to the ~~State Board of Education~~ State Regents for Higher Education for the Office of

Accountability ~~for fiscal year 2002 and subsequent years~~ may be expended to fulfill the provisions of this ~~act~~ section. The Office of Accountability may contract with an outside entity or hire personnel to assist in the development and design of the program. The Office of Accountability may contract with outside entities to assist in conducting performance review programs. Such entities shall be chosen through a competitive bid process. Invitations to bid for the performance reviews shall be open to any public or private entity. Contracts for performance reviews shall not be done on a sole source basis.

~~B. The board of education of any school district in the state may, by majority vote, request the Office of Accountability to conduct a performance review of that school district.~~

C. 1. If a performance review is conducted as authorized pursuant to paragraphs 1 through 3 of subsection A of this section, the entire cost of the review shall be borne by the Office of Accountability.

2. If a school district requests a performance review, as authorized pursuant to paragraph 4 of subsection A of this section, twenty-five percent (25%) of the entire cost of the review shall be borne by the school district and seventy-five percent (75%) of the cost of the review shall be borne by the Office of Accountability.

3. Districts shall be selected for review by the Education Oversight Board contingent upon the availability of funding.

~~C.~~ D. The Office of Accountability shall engage in follow-up, outreach and technical assistance to help school districts and others understand, interpret, and apply the recommendations and best practices resulting from performance reviews conducted pursuant to this section.

E. After a performance review of a school district is completed by the Office of Accountability, the school district may implement all or part of the recommendations contained in the review.

~~D.~~ F. If a school district experiences a cost savings that is directly attributable to implementation of performance review recommendations, the cost savings shall be expended by the school district for classroom expenses. Classroom expenses shall include but are not limited to teacher salaries and purchasing textbooks, teaching material, technology and other classroom equipment. Classroom expenditures shall not include administrative services as defined in Section 18-124 of this title or for equipment or materials for administrative staff.

SECTION 2. This act shall become effective November 1, 2005.

Passed the Senate the 10th day of March, 2005.

Presiding Officer of the Senate

Passed the House of Representatives the ____ day of _____,
2005.

Presiding Officer of the House
of Representatives