

1 ENGROSSED SENATE
2 BILL NO. 664

By: Fields of the Senate
and
Holland of the House

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7 An Act relating to school administration; amending 70
8 O.S. 2001, Section 18-124, as amended by Section 16,
9 Chapter 434, O.S.L. 2003 (70 O.S. Supp. 2010, Section
10 18-124), which relates to foundation aid; modifying
11 certain percentages; modifying definition; modifying
12 exempted nonadministrative services; providing an
13 effective date; and declaring an emergency.

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

15 SECTION 1. AMENDATORY 70 O.S. 2001, Section 18-124, as
16 amended by Section 16, Chapter 434, O.S.L. 2003 (70 O.S. Supp. 2010,
17 Section 18-124), is amended to read as follows:

18 Section 18-124. A. Any school district with an average daily
19 attendance (ADA) of more than one thousand five hundred (1,500)
20 students for the preceding year which expends for administrative
21 services in the 2005-06 school year or any school year thereafter,
22 less expenditures for legal services, more than ~~six percent (6%)~~
23 five percent (5%) of the amount it expends for total expenditures,
24 less expenditures for legal services, shall have the amount which
exceeds the ~~six percent (6%)~~ five percent (5%) withheld the

1 following year from the Foundation and Salary Incentive Aid for the
2 school district.

3 B. Any school district with an average daily attendance (ADA)
4 of more than five hundred (500) students but not more than one
5 thousand five hundred (1,500) students for the preceding year which
6 expends for administrative services in the 2005-06 school year or
7 any school year thereafter, less expenditures for legal services,
8 more than ~~eight percent (8%)~~ seven percent (7%) of the amount it
9 expends for total expenditures, less expenditures for legal
10 services, shall have the amount which exceeds the ~~eight percent (8%)~~
11 seven percent (7%) withheld the following year from the Foundation
12 and Salary Incentive Aid for the school district.

13 C. Any school district with an average daily attendance (ADA)
14 of five hundred (500) or fewer students for the preceding year which
15 expends for administrative services in the 2005-06 school year or
16 any school year thereafter, less expenditures for legal services,
17 more than ~~ten percent (10%)~~ eight percent (8%) of the amount it
18 expends for total expenditures, less expenditures for legal
19 services, shall have the amount which exceeds the ~~ten percent (10%)~~
20 eight percent (8%) withheld the following year from the Foundation
21 and Salary Incentive Aid for the school district.

22 D. For purposes of this section, "administrative services"
23 means costs associated with:

24 1. Staff for the board of education;

- 1 2. The secretary/clerk for the board of education;
- 2 3. Staff relations;
- 3 4. Negotiations staff;
- 4 5. ~~Staff for~~ Immediate staff of the superintendent;
- 5 6. Any superintendent, elementary superintendent, or assistant
- 6 superintendent;
- 7 7. Any employee of a school district employed as a director,
- 8 coordinator, supervisor, or who has responsibility for
- 9 administrative functions of a school district; and
- 10 8. Any consultant hired by the school district.

11 E. If an employee of a school district is employed in a
12 position where part of the employee's time is spent as an
13 administrator and part of the time is spent in nonadministrative
14 functions, the percentage of time spent as an administrator shall be
15 included as administrative services. ~~Except for a~~ A superintendent
16 who spends part of the time performing exempted nonadministrative
17 services such as teaching in the classroom, ~~the~~ serving as a
18 principal, counselor, or library media specialist, can code up to
19 forty percent (40%) of their salary to other nonadministrative
20 functions. The total amount of time a superintendent of a school
21 district spends performing services for a school district shall be
22 included as administrative services even if part of the time the
23 superintendent is performing nonexempted nonadministrative service
24 functions ~~and the~~. The total amount received by a superintendent

1 from the school district as salary, for the performance of
2 administrative and nonexempted nonadministrative services, shall be
3 recorded under the code for superintendent salary as provided for in
4 the Oklahoma Cost Accounting System.

5 F. Each school site within a school district shall take steps
6 to ensure that the administrative costs for the school comply with
7 the expenditure limits established for school districts in this
8 section.

9 G. Funds withheld pursuant to the provisions of this section
10 shall be distributed through the State Aid formula to the districts
11 not so penalized.

12 H. For the 2003-04 and 2004-05 school year, school districts
13 shall report to the State Department of Education the costs
14 associated with administrative services for the school district as
15 defined in subsection D of this section.

16 SECTION 2. This act shall become effective July 1, 2011.

17 SECTION 3. It being immediately necessary for the preservation
18 of the public peace, health and safety, an emergency is hereby
19 declared to exist, by reason whereof this act shall take effect and
20 be in full force from and after its passage and approval.

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1 Passed the Senate the 15th day of March, 2011.

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4 Presiding Officer of the Senate

5 Passed the House of Representatives the ____ day of _____,
6 2011.

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9 Presiding Officer of the House
10 of Representatives