

KENTUCKY DEPARTMENT OF EDUCATION

STAFF NOTE

Action/Discussion Item:

Requests for Waivers of 702 KAR 3:300, Section 2, from Daviess County, Webster County, Paris Independent and Williamstown Independent School Districts

Applicable Statute or Regulation:

KRS 65.944, 65.946, 702 KAR 3:300 Section 2.

Action Question:

Should the Kentucky Board of Education (KBE) approve the requests from the Daviess County, Webster County, Paris Independent and Williamstown Independent School Districts to waive the requirements of 702 KAR 3:300, Section 2, and allow the districts to enter into a technology lease over \$100,000 for a term of five (5) years?

History/Background:

Existing Policy. No school district may sign a technology lease over \$100,000 without approval of the chief state school officer per KRS 65.944. The decision to enter into such a contract shall be approved by the local board of education and the justification cited in the board minutes. KRS 65.946 prohibits the term of a lease of personal property by a school district from exceeding the “useful life of the personal property financed.” KBE’s regulation, 702 KAR 3:300, defines the “useful life” for technology equipment leases to be limited to three (3) years. In a lease like the one these four districts want to enter, the lease term is limited by 702 KAR 3:300 Section 2 to the three (3) years of useful life of the equipment.

Daviess County, Webster County, Paris Independent and Williamstown Independent School Districts request that the KBE waive the lease term limitation in 702 KAR 3:300, Section 2 and allow an increase in this particular lease term to five (5) years. This allows the local school boards the flexibility to select a lease contract that is financially and technically suitable to meet the needs of the districts. The Daviess County, Webster County, Paris Independent and Williamstown Independent Boards of Education approved making the request to the KBE. Daviess County’s approval occurred on May 16, 2013; Webster County’s occurred on January 7, 2013; Paris Independent approved the request on April 23, 2013; and Williamstown Independent approved the request on April 8, 2013. Copies of the requests and letters from local board counsels are attached.

Staff Recommendation(s) and Rationale(s):

Staff recommends the approval of the waivers as presented. It allows the districts greater flexibility in selecting a contract that is financially and technologically advantageous.

Impact on Getting to Proficiency:

The approval of these waivers will allow the school districts to have technology lease contracts that are most suitable to their needs and should result in more efficient and effective use of financial and technology resources.

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Commissioner of Education

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