

KENTUCKY DEPARTMENT OF EDUCATION

STAFF NOTES

Review Item:

702 KAR 3:300, Approval for school district lease and retirement incentive annuity agreements
(First Reading)

Applicable Statute or Regulation:

KRS 65.944, 65.946, 156.070, 156.160

History/Background:

Existing Policy: Per KRS 65.944, no school district may sign a technology lease over \$100,000 without the approval of the chief state school officer. 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. This needs to be changed to five (5) years to allow districts greater flexibility in selecting a contract that is financially and technologically advantageous.

Groups Consulted and Brief Summary of Responses:

The Local Superintendents Advisory Council (LSAC) will review the regulation at its next meeting and their input will be reported to the board.

Impact on Getting to Proficiency:

Approval of the amendment to 702 KAR 3:300 will allow 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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