**Legal Status of Educational Cooperatives**

**Educational co-ops:**

The regional education cooperatives are the product of interlocal agreements of school districts per Kentucky statutes KRS 160.290(3) and KRS 65.210-300. KRS 65.210-300 provide the requirements for forming an interlocal public agency like an educational cooperative. Employees of educational cooperatives are not employees of KDE. Employees of educational cooperatives receive health insurance employer premium coverage pursuant to 702 KAR 1:035 found at <http://www.lrc.ky.gov/kar/702/001/035.htm>.

KRS 160.290 <http://www.lrc.ky.gov/Statutes/statute.aspx?id=3700> also speaks to the legal authority of school boards to create educational cooperatives:

(3) Local boards of education electing to enter into agreements pursuant to the Interlocal Cooperation Act, KRS 65.210 to 65.300, with other local boards of education to establish consortia to provide services in accordance with the Kentucky Education Reform Act of 1990, 1990 Ky. Acts Ch. 476, may transfer real or personal property to the consortia without receiving fair market value compensation. The joint or cooperative action may employ employees transferred from employment of a local board of education, and the employees shall retain their eligibility for the Kentucky Teachers' Retirement System. The chief state school officer, under administrative regulations of the Kentucky Board of Education, may allot funding to an interlocal cooperative board created by two (2) or more local school districts pursuant to KRS 65.210 to 65.300 to provide educational services for the mutual advantage of the students in the representative districts. All statutes and administrative regulations that apply to the use of these funds in local school districts shall also apply to cooperative boards.

Educational cooperatives are subject to the requirements of the Open Meetings and Open Records Acts, like any other public agency.

**Special ed co-ops:**

The special education cooperatives are funded through the federal Individuals with Disabilities Education Act (IDEA) State Share Restricted funds.  These cooperatives all must have a fiscal agent (my understanding is that the major education cooperatives serve as fiscal agent). Employees of special education cooperatives are not employees of KDE. While KDE sets many of the initiatives via activities of these cooperatives, KDE does not directly employ nor hire staff.  The special education cooperative staff does assist KDE with monitoring, technical assistance, professional development and other activities with its member districts. More information about special education cooperatives is on KDE’s website at <http://education.ky.gov/specialed/excep/Pages/Kentucky-Special-Education-Cooperative-Network.aspx>.

In summary, general education cooperatives are entities created under the authority of KRS Chapter 65 and exist pursuant to those authorized inter-local agreements by and between public school districts.  Special education cooperatives are entities that are created pursuant to federal IDEA funding mechanisms to solely aid public school districts in the region and, I believe, all currently rely upon the general education cooperatives as fiscal agents. Neither are school districts.

These are the legal requirements and sources for authorization for educational cooperatives generally that I know.