

# **KENTUCKY DEPARTMENT OF EDUCATION**

## **STAFF NOTE**

### **Review Item:**

780 KAR 7:060, Equipment Inventory (*First Reading*) (*Amendment to existing regulation*)

### **Commissioner's Recommendation:**

At the April meeting, the Commissioner recommend approval of the proposed amendments to 780 KAR 7:060. No action is required at this meeting.

### **Rationale:**

As a result of the Commissioner's request for the review of all regulations pertaining to career and technical education, the Kentucky Board of Education will be asked to approve the proposed amendments as the amendments simplify the regulatory scheme and update policy and language within Title 780.

### **Applicable Statute or Regulation:**

KRS 45.301(1)(f), 45.313, 56.070-185, 156.802(3), 156.852

### **History/Background:**

**Existing Policy:** KRS 45.301(1)(f) gives the Finance and Administration Cabinet supervision of purchasing and storekeeping and control of property and stores. KRS 45.313 mandates that each budget unit shall maintain a current inventory of equipment having an original cost of 500 or more. KRS 156.802(3) gives the Department of Education's Office of Career and Technical Education the responsibility for all administrative functions of the state in relation to the management, control, and operation of state-operated secondary area technology centers. KRS 156.852 gives the Kentucky Board of Education the authorization to carry out the purposes of the the program of career and technical education. Title 780 provides administrative regulations for the state-operated area technology centers, also known as the Kentucky Tech System.

**Summary:** Since the merger of Kentucky's two secondary career and technical education (CTE) systems in 2013 through HB 207, the Office of Career and Technical Education has worked to identify statutes and administrative regulations that could be amended or repealed in an effort to provide clarity and simplify the regulatory scheme. The proposed changes to this regulation will amend the title, incorporate language from 780 KAR 7:070, which is being repealed in a separate staff note, and revise outdated terminology.

Amending the title will broaden the scope of the regulation to include equipment insurance operating procedures, which was previously included in 780 KAR 7:070.

***Budget Impact:*** The proposed amendments to this administrative regulation have no fiscal impact on the Kentucky Department of Education.

**Contact Person:**

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A handwritten signature in black ink, reading "Stephen L. Pruitt". The signature is written in a cursive style with a large, stylized "S" and "P".

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**Commissioner of Education**

**Date:**

February 2016

1 EDUCATION AND WORKFORCE DEVELOPMENT CABINET

2 Kentucky Board of Education

3 Department of Education

4 (Amendment)

5 780 KAR 7:060. Equipment inventory and insurance.

6 RELATES TO: KRS 45.301(1)(f), 45.313, 56.070-185, 156.802 [451B.025](3), 156.852  
7 [451B.150]

8 STATUTORY AUTHORITY: KRS 156.802 [451B.025](3)

9 NECESSITY, FUNCTION, AND CONFORMITY: KRS 45.301(1)(f) requires the Finance and  
10 Administration Cabinet to supervise purchasing and storekeeping and control of property and  
11 stores. KRS 45.313 requires that each budget unit shall maintain a current inventory of  
12 equipment having an original cost of five hundred dollars (\$500) or more. This inventory shall  
13 be available for examination by the Finance and Administration Cabinet at all times. KRS  
14 156.802 [451B.025] requires the Associate Commissioner [Executive Director] of the Office of  
15 Career and Technical Education to administer the state-operated career and technical education  
16 program. This administrative regulation establishes policy and operating procedures relative to  
17 the inventory of state-operated career and technical education equipment.

18 Section 1. (1) The Office of Administration and Support [Administrative Services] shall be  
19 responsible for the management and control of an inventory system for career and [vocationa-]  
20 technical education programs.

21 (2) All equipment with a value of \$500[250] or more acquired in whole or in part with state  
22 funds shall be maintained on this inventory and identified in accordance with 200 KAR 5:021.

(3) The area technology centers shall be responsible for conducting an annual inventory of all property.

(4) All equipment acquired in whole or in part with federal funds shall be maintained on the current inventory.

Section 2. All career and technical education equipment in the Kentucky TECH schools shall be covered by the State Fire and Tornado Insurance Fund regular policy underwritten by the Commonwealth of Kentucky except:

(1) Equipment insured for full coverage under the state computer insurance policy.

(2) Equipment normally utilized and stationed at remote locations shall be insured under the floater clause in the Fire and Tornado Insurance Fund.

(3) Equipment on loan from industry requiring insurance shall be insured under the Inland Marine policy underwritten by the Commonwealth of Kentucky.

(17 Ky.R. 763; eff. 10-14-90; Am. 22 Ky.R. 381; 739; eff. 10-5-95; 26 Ky.R. 2329; 27 Ky.R. 966; eff. 10-16-2000; 35 Ky.R. 1905; eff. 5-1-09.)