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Donna Little
REGULATIONS COMPILER

1 Education and Workforce Development Cabinet

2 Kentucky Board of Education

3 Department of Education

4 (New Administrative Regulation)

5 703 KAR 5:260. Implementation of intervention options in priority schools and districts.

6 RELATES TO: KRS 158.6453, 158.6455, 158.782, 160.346

7 STATUTORY AUTHORITY: KRS 156.029(7), 156.070(5), 158.6453, 158.6455,

8 160.346

9 NECESSITY, FUNCTION, AND CONFORMITY: KRS 156.029(7) indicates the primary

10 function of the Kentucky Board of Education (KBE) is to adopt policies and administrative

11 regulations by which the Kentucky Department of Education (department) shall be governed in

12 planning and operating programs within its jurisdiction. KRS 156.070(5) requires the KBE,

13 upon the recommendation of the Commissioner of Education, to establish policy or act on all

14 programs, services and other matters which are within the administrative responsibility of the

15 department. KRS 158.6453(3)(a) vests in the KBE the responsibility to create an assessment

16 system that measures achievement of the state learning goals, ensures compliance with Title I of

17 the federal Elementary and Secondary Education Act of 1965 (ESEA), 20 U.S.C. sec. 6301, et

18 seq., and ensures school accountability. KRS 158.6455 requires the KBE to create an

19 accountability system to classify schools and districts, and to establish appropriate consequences

20 for schools failing to meet their accountability measures. KRS 160.346 requires the KBE to

1 promulgate administrative regulations to establish the process for implementing school
2 interventions and alternate management options for schools, districts, and the state for
3 persistently low-achieving schools, now identified as priority schools. Section 1003(g) of Title I
4 of the Elementary and Secondary Education Act of 1965, as amended, (Title I or ESEA) requires
5 the KBE to identify the state's lowest-achieving schools (referenced in KRS 160.346 as
6 "persistently low-achieving schools") as "priority schools", and for those priority schools to
7 follow the requirements of 20 U.S.C. 6303(g) regarding school intervention options. This
8 administrative regulation establishes the process and procedures for implementing school
9 interventions and alternate governance options for priority schools and districts.
10 Section 1. Definitions. (1) "Annual measurable objective" or "AMO" "means the improvement
11 goal for each school or district calculated from the overall score.
12 (2) "Diagnostic review process" means the review and audit process required under KRS
13 158.6455 and 160.346 to establish appropriate consequences for districts containing priority
14 schools, priority districts, and priority schools.
15 (3) "Diagnostic review team" means an audit team approved by the Commissioner of Education
16 or his or her designee to conduct a school or district diagnostic review required by KRS 160.346.
17 (4) "District diagnostic review" means an assessment of the functioning of the district and of the
18 district's ability to manage an intervention in a priority school and meets the requirements of
19 KRS 160.346(3)(b).
20 (5) "District that contains a priority school" means a district that has not been identified as a
21 priority district but that has in its jurisdiction one or more priority schools.
22 (6) "Persistently low-achieving school" is defined in KRS 160.346(1)(a).
23 (7) "Priority district" is defined in 703 KAR 5:225(1)(21).

1 (8) "Priority school" is defined in 703 KAR 5:225(1)(22).

2 (9) "School diagnostic review" is described in KRS 160.346, and means an assessment of the

3 functioning of the school, and meets the requirements of KRS 160.346(3)(a).

4 (10) "School intervention" is defined in KRS 160.346(1)(b).

5 Section 2. Diagnostic review team selection and membership. (1)(a) Members of the diagnostic

6 review team shall be selected from qualified applicants by the department, and approved by the

7 Commissioner of Education or his or her designee.

8 (b) The team members shall complete department-provided or approved training in any areas

9 needed to effectively perform their duties.

10 (c) Members shall hold appropriate certification or qualifications for the position being

11 represented.

12 (d) The team shall not include any members currently employed by the district or school under

13 review.

14 (2) The team shall be approved by the Commissioner of Education or his or her designee and

15 shall include the following representation:

16 (a) The chairperson, who shall be designated by the department or its designee, shall be:

17 1. A certified administrator approved by the department to provide highly skilled education

18 assistance as required by KRS 158.782;

19 2. A certified administrator member of the review team; or

20 3. A similarly qualified professional approved by the department.

21 (b) An individual approved by the department to provide highly skilled education assistance as

22 required by KRS 158.782;

23 (c) A teacher who is actively teaching or has taught within the last three (3) years;

1 (d) A principal who is currently serving or has served as a principal within the last three (3)
2 years;
3 (e) A district level administrator who is currently serving or has served in a district
4 administrative position within the last three (3) years;
5 (f) A parent or legal guardian who has or has had a school-aged child; and
6 (g) A university representative who is currently serving or has served in that capacity within the
7 last three (3) years.
8 (3) The chair may serve in addition to the six (6) members outlined in paragraphs (b) through (g)
9 of subsection (2), or may be selected from those six (6) members who also meet the
10 qualifications of (1)(a) of this section of this administrative regulation.
11 Section 3. School diagnostic review. (1) Within ninety (90) days of identification as a priority
12 school by the department, a school diagnostic review shall be scheduled to review the
13 functioning of the school council and the specific leadership capacity of the principal.
14 (2) The determination of the principal and school based decision-making council's ability to lead
15 the intervention in the school shall be based upon an assessment of whether:
16 (a) The principal and council demonstrate maintenance and communication of a visionary
17 purpose and direction committed to high expectations for learning as well as shared values and
18 beliefs about teaching and learning;
19 (b) The principal and council lead and operate the school under a governance and leadership
20 style that promotes and supports student performance and system effectiveness;
21 (c) The principal and council establish a data-driven system for curriculum, instructional design,
22 and delivery, ensuring both teacher effectiveness and student achievement;
23 (d) The principal and council ensure that systems are in place for collection and use of data;

1 (e) The principal and council ensure that systems are in place to allocate human and fiscal
2 resources to support improvement and ensure success for all students; and
3 (f) The principal and council ensure that the school implements a comprehensive assessment
4 system that generates a range of data about student learning and system effectiveness and uses
5 the results to guide continuous improvement.
6 (3) The school diagnostic review shall include:
7 (a) Analysis of state and local education data;
8 (b) Review of comprehensive school improvement plans and other planning documents;
9 (c) Interviews with students, parents, all school council members, school and district personnel,
10 and community members;
11 (d) Direct observation;
12 (e) Administration of teacher and principal working conditions surveys and student satisfaction
13 surveys;
14 (f) Review of school council minutes and agendas;
15 (g) Administration of the "Missing Piece of the Proficiency Puzzle, June 2007"; and
16 (h) Other methods that may be required to obtain necessary information.
17 (4) Following the review, a report shall be submitted to the Commissioner of Education that
18 specifically makes:
19 (a) A determination of the capacity of a principal and school council to lead an intervention
20 option in a priority school;
21 (b) A recommendation by the diagnostic review team as to whether the principal has capacity to
22 lead the school to recovery, or should be replaced; and

1 (c) A recommendation by the diagnostic review team as to whether the school council has
2 capacity to lead the school to recovery or whether school council authority should be transferred;
3 (5) If the school council is determined to have leadership capacity, it shall retain its authority;
4 however, if the school council is determined not to have leadership capacity, the council shall
5 either remain as an advisory council or be replaced by the Commissioner of Education.
6 (6) Following the initial diagnostic review process, a review shall be repeated at least once every
7 two (2) years or as often as the Commissioner deems necessary.
8 (7) Pursuant to KRS 160.346(8), the authority of the school council shall be restored if the school
9 is not classified as persistently low-achieving for two (2) consecutive years.
10 (8) The Commissioner of Education shall notify a school or district that it has exited priority
11 status when the school:
12 (a) Meets AMO goals for three (3) consecutive years;
13 (b) Is no longer identified by KRS 160.346 (1)(a)'s applicable percent calculation of being in the
14 lowest five (5) percent; and
15 (c) Scores at or above a seventy (70) percent graduation rate for three (3) consecutive years.
16 Section 4. District diagnostic review. (1) Within ninety (90) days of identification by the
17 department of a district containing a priority school, or of a priority district, a district diagnostic
18 review shall be scheduled to review the functioning of the district administration and its specific
19 leadership capacity related to each identified priority school.
20 (2) The determination of the district's level of functioning and ability to manage the intervention
21 in the priority school shall be based upon an assessment of capacity in the following areas:

1 (a) The district demonstrates maintenance and communication of a visionary purpose and
2 direction committed to high expectations for learning as well as shared values and beliefs about
3 teaching and learning;
4 (b) The district leads and operates the school district under a governance and leadership style that
5 promotes and supports student performance and system effectiveness;
6 (c) The district establishes a data-driven system for curriculum, instructional design, and
7 delivery, ensuring both teacher effectiveness and student achievement;
8 (d) The district ensures that systems are in place for collection and use of data;
9 (e) The district ensures that systems are in place to allocate human and fiscal resources to
10 support improvement and ensure success for all students; and
11 (f) The district ensures that a comprehensive assessment system, that generates a range of data
12 about student learning and system effectiveness and uses the results to guide continuous
13 improvement, is implemented.
14 (3) The district diagnostic review shall include:
15 (a) Analysis of state and local education data;
16 (b) Review of school board minutes;
17 (c) Review of comprehensive district improvement plans and other planning documents;
18 (d) Interviews with school board members, students, parents, school and district personnel, and
19 community members;
20 (e) Direct observation;
21 (f) Administration of teacher and principal working conditions surveys and student satisfaction
22 surveys;
23 (g) Administration of the "Missing Piece of the Proficiency Puzzle, June 2007"; and

1 (h) Other methods that may be required to obtain necessary information.

2 (4) Following the review, a report shall be submitted to the Commissioner of Education that

3 specifically makes a recommendation regarding the district's level of functioning and whether

4 the district has the capability and capacity to manage the intervention in each identified school.

5 (5) There shall be only one (1) district diagnostic review per district, per year, regardless of the

6 number of priority schools located in the district.

7 (6) A review shall be repeated every two (2) years or as often as the Commissioner of Education

8 deems necessary.

9 Section 5. Notification to schools and districts of diagnostic review determination. (1) After

10 completion of the district diagnostic review and within the deadline set in KRS 160.346(4), the

11 Commissioner of Education shall notify in writing the school council, principal, superintendent,

12 and local board of education of the determination regarding:

13 (a) School council leadership capacity and authority to manage the intervention in a priority

14 school;

15 (b) Principal leadership capacity and authority; and

16 (c) District leadership capacity and authority.

17 (2) The notification shall include a statement of the appeal process to the KBE provided in KRS

18 160.346(5). The Commissioner of Education shall make the final report publicly available.

19 Section 6. Authority to select an intervention option. (1) If the final determinations in the

20 diagnostic reviews are that

21 (a) the school council has sufficient capacity to manage the intervention, and

22 (b) the district has the capacity to support the intervention,

1 the school council shall, within thirty (30) days after the receipt of the final determination and
2 pursuant to KRS 160.346, choose an intervention option and develop an action plan. The council
3 shall present the option and plan to the local board of education, which shall give final approval
4 and provide the necessary support and resources for the intervention effort.
5 (2) If the final determinations in the diagnostic reviews are that
6 (a) the school council does not have sufficient capacity to manage the intervention and is
7 recommended to become advisory, and
8 (b) the district has sufficient capacity to support the intervention and council authority is
9 recommended to be transferred to the superintendent,
10 then the superintendent shall, within forty-five (45) days after the receipt of the Commissioner of
11 Education's notification or thirty (30) days after the action of the KBE if an appeal is filed, make
12 a recommendation for an intervention option and submit the choice to the local board of
13 education, which shall make the final determination on the intervention option.
14 (3) If the final determinations in the diagnostic reviews are that
15 (a) the school council has sufficient capacity to manage the intervention, and
16 (b) the district does not have the capacity to support the intervention,
17 then the school council shall, within thirty (30) days after the receipt of the Commissioner of
18 Education's notification or thirty (30) days after the action of the KBE if an appeal is filed,
19 choose the intervention option and submit its choice to the local board of education, which shall
20 review the option chosen by the school council and submit the choice to the Commissioner of
21 Education, who shall approve the choice.
22 (4) If the final determinations in the diagnostic reviews are that

1 (a) the school council does not have sufficient capacity to manage the intervention and is
2 recommended to become advisory, and
3 (b) the district lacks sufficient capacity to support the intervention and council authority is
4 recommended to be transferred to the Commissioner of Education,
5 then the Commissioner of Education shall, within forty-five (45) days after receipt of these
6 determinations and in consultation with the advisory school council, superintendent and local
7 board of education, determine the intervention option. The identified school and local district
8 shall implement the intervention option with support from the department.

School council has capacity to lead the intervention	District has capacity to lead the intervention	Choice of intervention option
Yes	Yes	School council chooses option and develops action plan, which is submitted to board, board approves and provides necessary support.
No	Yes	Superintendent recommends to local board, board has final approval.
Yes	No	School council chooses option, submits to board, board reviews and submits to Commissioner of Education, Commissioner of Education approves.
No	No	Commissioner of Education chooses option in consultation with advisory school council, superintendent and local board. School and district implement option with department support.

9 Section 7. Replacement of school council members by the Commissioner of Education. (1)
10 When the Commissioner of Education is required to appoint advisory school council members to
11 serve until the requirements of KRS 160.346(8) are met, the Commissioner of Education shall
12 include three (3) teachers and two (2) parents from the school. These members may be appointed
13 from a list of nominees submitted by the superintendent.

1 (2) The Commissioner of Education shall select candidates who are capable of providing
2 leadership in the turnaround environment of the school and meet the requirements of KRS
3 160.345.
4 (3) The Commissioner shall fill any subsequent vacancy through this procedure, until such time
5 as full authority is restored to the school council.
6 Section 8. Implementation of intervention options. (1) A school or district engaging in the re-
7 staffing option shall:
8 (a) Replace the principal, when required by KRS 160.346(9)(b), with a certified principal who
9 has specific training in turning around low-achieving schools and grant the new principal
10 sufficient operational flexibility, including staffing, calendars, time, and budgeting, to fully
11 implement a comprehensive approach to substantially improve student achievement outcomes
12 and, if a high school, increase high school graduation rates.
13 (b) Replace the school council, when required by KRS 160.346(9)(b), with individuals appointed
14 by the Commissioner of Education pursuant to section 7 of this administrative regulation.
15 (c) Use competencies adopted by the local board of education to measure the effectiveness of
16 staff who can work within the turnaround environment to meet the needs of students when
17 screening the existing staff, rehiring no more than fifty (50) percent of those staff and selecting
18 new staff as required by KRS 160.346(9)(b);
19 (d) Implement strategies, including more flexible working conditions, that are designed to
20 increase opportunities for career growth and are designed to recruit, place, and retain staff with
21 the skills necessary to meet the needs of the students in the priority school;
22 (e) Provide staff with ongoing, high-quality, job-embedded professional development that is
23 aligned with the school's comprehensive instructional program and designed with school staff to

1 ensure that they are equipped to facilitate effective teaching and learning and have the capacity
2 to successfully implement intervention strategies;
3 (f) Adopt a new governance structure which shall include requiring the school to provide
4 quarterly progress reports to the local board of education and the department;
5 (g) Use data to identify and implement an instructional program that is research-based and
6 aligned from one (1) grade to the next as well as aligned with the Kentucky Core Academic
7 Standards established in 704 KAR 3:303;
8 (h) Promote the continuous use of student data from formative, interim, and summative
9 assessments to inform and differentiate instruction in order to meet the academic needs of
10 individual students;
11 (i) Establish schedules and implement strategies that provide increased learning time; and
12 (j) Provide appropriate social, emotional, and community-oriented services and supports for
13 students.
14 (2) A school or district engaging in the external management option shall:
15 (a) Choose an external management organization (EMO) from a list of approved EMOs
16 established by the KBE pursuant to section 9 of this administrative regulation;
17 (b) Contract with the EMO to provide day-to-day management of the school; and
18 (c) Provide quarterly progress reports to the local board of education and the department.
19 (3) A school or district engaging in the transformation option shall:
20 (a) Replace the principal, when required by KRS 160.346(9)(d), with a certified principal who
21 has specific training in turning around low-achieving schools;
22 (b) Replace the school council, when required by KRS 160.346(9)(d), with individuals appointed
23 by the Commissioner of Education pursuant to section 7 of this administrative regulation;

1 (c) Use rigorous, transparent, and equitable evaluation systems for teachers and principals that:
2 1. Take into account data on student growth as a significant factor as well as other factors such as
3 multiple observation-based assessments of performance and ongoing collections of professional
4 practice reflective of student achievement and increased high school graduations rates; and
5 2. Are designed and developed with teacher and principal involvement;
6 (d) Identify and provide additional leadership and compensation opportunities to school leaders,
7 teachers, and other staff who have increased student achievement and high school graduation
8 rates, if applicable, and identify and remove those who, after ample opportunities have been
9 provided for them to improve their professional practice, have not done so;
10 (e) Provide staff with ongoing, high-quality, job-embedded professional development that is
11 aligned with the school's comprehensive instructional program and designed in conjunction with
12 school staff to ensure they are equipped to facilitate effective teaching and learning and have the
13 capacity to successfully implement school reform strategies which shall include:
14 1. Subject-specific pedagogy;
15 2. Instruction that reflects a deeper understanding of the community served by the school; and
16 3. Differentiated instruction;
17 (f) Implement strategies designed to increase opportunities for career growth which shall include
18 more flexible working conditions designed to recruit, place, and retain staff with the skills
19 necessary to meet the needs of the students in a transformation school;
20 (g) Use data to identify and implement an instructional program that is research-based and
21 aligned from one (1) grade to the next as well as aligned with the Kentucky Core Academic
22 Standards as established in 704 KAR 3:303;

1 (h) Promote the continuous use of student data from formative, interim, and summative
2 assessments to inform and differentiate instruction in order to meet the academic needs of
3 individual students;
4 (i) Increase learning time and create community-oriented schools that:
5 1. Establish schedules and implement strategies that provide increased learning time; and
6 2. Provide ongoing mechanisms for family and community engagement;
7 (j) Provide operational flexibility and sustained support that:
8 1. Gives the school sufficient operational flexibility, including staffing, calendar, time, and
9 budgeting to fully implement a comprehensive approach to substantially improve student
10 achievement outcomes and increase high school graduation rates; and
11 2. Ensures that the school participates in ongoing, intensive technical assistance and related
12 support from the local district and the state; and
13 (k) Provide quarterly progress reports to the local board of education and the department.
14 (4) A school or district engaging in the school closure option shall develop a plan for the closure
15 of the school. The plan shall include:
16 (a) A process for the transfer of students to higher performing schools in the district;
17 (b) A determination by the local board of education regarding staff assignments and the use of
18 the existing facility and other assets;
19 (c) A method for monitoring the progress of students in their new school environment; and
20 (d) A quarterly progress report to the local board of education and the department.
21 Section 9. Establishment of approved External Management Organizations. (1) The list of
22 approved External Management Organizations (EMOs) shall be created by the Commissioner of
23 Education following the application process established in subsection (2) of this section.

1 (2) The Commissioner of Education shall issue a request for information to solicit EMO
2 applicants who shall detail the scope of the services they are able to provide to a priority school.
3 The request for information shall require the following information regarding the EMO
4 applicant's qualifications:
5 (a) The ability of the EMO to staff the school, during the period of the EMO contract, with
6 dynamic leadership with experience in turning around low-achieving schools;
7 (b) The ability of the EMO to conduct a needs assessment in the school and develop a plan of
8 action based on the needs assessment;
9 (c) The ability of the EMO to deliver a comprehensive list of services designed to turn around
10 the school;
11 (d) The ability of the EMO to screen staff and make decisions on staff assignments;
12 (e) The familiarity of the EMO with Kentucky education statutes and administrative regulations;
13 (f) The experience of the EMO in turning around low-achieving schools;
14 (g) References from other low-achieving schools or school districts supporting the EMO's ability
15 to turn around low-achieving schools;
16 (h) Evidence provided by the EMO that its provision of services includes instructional
17 leadership, professional learning support for teachers and other staff, and services to families and
18 community stakeholders;
19 (i) Evidence of the EMO's financial stability, any pending or threatened litigation, and liability
20 insurance coverage; and
21 (j) Other information required pursuant to KRS Chapter 45A.
22 (3) The Commissioner of Education shall review all responses and determine which applicants
23 meet the criteria in subsection (2) of this section. The qualifying applicants shall be submitted to

1 the KBE for approval. The list of approved EMOs shall be made public upon approval by the

2 KBE.

3 Section 10. Incorporation by Reference. (1) "The Missing Piece of the Proficiency Puzzle, June

4 2007", is incorporated by reference.

5 (2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at

6 the Kentucky Department of Education, Office of Next Generation Schools and Districts, 8th

7 Floor, Capital Plaza Tower, Frankfort, Kentucky 40601, Monday through Friday, 8 a.m. to 4:30

8 p.m.

This is to certify that the chief state school officer has reviewed and recommended this administrative regulation prior to its adoption by the Kentucky Board of Education, as required by KRS 156.070(5).

8-15-14
(Date)

Terry Holliday, Ph.D.
Commissioner of Education

8-15-14
(Date)

Roger L. Marcum, Chairperson
Kentucky Board of Education

PUBLIC HEARING AND PUBLIC COMMENT PERIOD: A public hearing on this proposed administrative regulation shall be held on September 29, 2014 at 10 a.m. in the State Board Room, 1st Floor, Capital Plaza Tower, 500 Mero Street, Frankfort, Kentucky. Individuals interested in being heard at this meeting shall notify this agency in writing five working days prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted until September 30, 2014. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to:

CONTACT PERSON: Kevin C. Brown, Associate Commissioner and General Counsel, Kentucky Department of Education, 500 Mero Street, First Floor, Capital Plaza Tower, Frankfort, Kentucky, 40601, phone 502-564-4474, fax 502-564-9321.

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Administrative Regulation: 703 KAR 5:260

Agency Contact Person: Kevin C. Brown

(1) Provide a brief summary of:

(a) What this administrative regulation does: In order to obtain approval of Kentucky's Elementary and Secondary Education Act (ESEA) Flexibility Waiver, which allows flexibility from specific requirements of Title I of the Elementary and Secondary Education Act of 1965, 20 U.S.C. sec. 6301, et seq., the United States Department of Education requires the agency to identify the state's lowest-achieving schools (referenced in KRS 160.346 as "persistently low-achieving schools") as "priority schools", and for those priority schools to follow the requirements of 20 U.S.C. 6301, Section 1003 (g) regarding school intervention options. KRS 160.346 requires the agency to promulgate administrative regulations to establish the process for implementing school interventions and alternate management options for the schools, districts and state for "persistently low-achieving schools" (now identified as "priority schools"). This administrative regulation establishes those process and procedures. It combines relevant elements of 703 KAR 5:120 and 703 KAR 5:180, which applied to persistently low-achieving schools, and applies them to priority schools. Those two administrative regulations are being repealed. This administrative regulation will only apply to a limited number of schools and districts as follows: 1) newly identified schools replacing current priority schools that have exited that status, 2) to any schools where the agency determines an additional diagnostic review is necessary, and 3) for priority districts that will be identified using 2014-2015 data.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to establish the process and procedures for school intervention and management options for priority schools and districts required by Kentucky's ESEA Flexibility Waiver and KRS 160.346.

(c) How this administrative regulation conforms to the content of the authorizing statute: KRS 160.346 requires the agency to promulgate administrative regulations to establish the process and procedures for implementing the intervention options available to local boards of education and the agency. This administrative regulation provides the process and procedures for priority schools and districts.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation provides a specific process and procedures for implementing the intervention options of KRS 160.346 that are available to priority schools and districts, local boards of education, and the agency.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: Not an amendment.

(b) The necessity of the amendment to this administrative regulation: Not an amendment.

(c) How the amendment conforms to the content of the authorizing statute: Not an amendment.

(d) How the amendment will assist in the effective administration of the statutes: Not an amendment.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: This administrative regulation will only apply to a limited number of schools and districts as follows: 1) newly identified priority schools that replace one of the identified priority schools when they have exited that status, 2) any priority schools where the agency determines an additional diagnostic review is necessary, and 3) priority districts that will be identified using 2014-15 data. It will also impact the school councils of priority schools.

(4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including: The priority schools, their councils and their districts will be provided with sufficient detail to perform their responsibilities as required by KRS 160.346. Agency staff must perform diagnostic reviews to determine the capacity of councils, principals and districts and make recommendations to the Commissioner of Education.

(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment: The agency must notify the local district upon receipt of diagnostic review committee recommendations as to school and district leadership capacity. Agency staff and contracted individuals will be responsible for completion of the diagnostic reviews described in the administrative regulation.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3): There will be no cost to schools and districts impacted by this process. The administrative regulation results in costs to the agency to conduct the diagnostic review process, which costs are paid for through Commonwealth School Improvement Funds. The cost is estimated at between $12,000 and $18,000 per diagnostic review depending on the student population of the school.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3): The identified priority schools will have an improved chance of turning around their struggling school by qualifying to apply for additional resources to assist in the school improvement efforts as they are available. The agency will have better ability to conduct diagnostic reviews and make recommendations to the school districts regarding the best strategies for improving these schools.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: The administrative regulation results in costs to the agency to conduct the diagnostic review process and to provide support to the schools. The diagnostic review is paid through the Commonwealth School Improvement Funds. The cost is estimated at between $12,000 and $18,000 per diagnostic review depending on the student population of the school. An intervention team of Education Recovery staff assigned to provide year-round, on-site support to the school (if funds are available) would cost approximately $450,000. The funds for these teams currently are provided through Commonwealth School Improvement Funds or federal funds as available.

(b) On a continuing basis: The administrative regulation results in costs to the agency to conduct the diagnostic review process and to provide support to the schools. The diagnostic review is paid through the Commonwealth School Improvement Funds. The cost is estimated at between $12,000 and $18,000 per audit depending on the student population of the school. Approximately 14 reviews are expected per year. The intervention team of Education Recovery staff (if funds are available) would cost approximately $450,000. The funds for intervention teams currently are provided through Commonwealth School Improvement Funds or federal funds as available.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: Commonwealth School Improvement Funds and federal funds as available.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: No increase will be necessary.

(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: This administrative regulation does not establish fees or directly or indirectly increase any fees.

(9) TIERING: Is tiering applied? (Explain why or why not) Tiering was not appropriate in this administrative regulation because the administrative regulation applies equally to all school districts containing priority schools.

FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation Number: 703 KAR 5:260
Contact Person: Kevin C. Brown
Phone number: 502-564-4474

(1) What units, parts, or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? Schools and school districts.

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 156.029 (7); KRS 156.070 (5); KRS 158.6453 (3); KRS 158.6455; KRS 160.346; 20 U.S.C. 6301, Section 1003 (a); Kentucky's Elementary and Secondary Education Act (ESEA) Flexibility Waiver.

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect. There are currently forty-one (41) priority schools, which is the number required to be identified under the ESEA waiver. When a school meets the requirements for moving from the priority schools list, another will be identified. Initial identification will be the cost of the diagnostic review and intervention staff (as funds are available). The diagnostic review cost will be between $12,000 and $15,000 depending on the student population. An intervention team of Education Recovery staff assigned to provide year-round, on-site support to the school (if funds are available) would cost approximately $450,000. The funds for these teams currently are provided through Commonwealth School Improvement Funds or federal funds as available.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? None.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? None, however this administrative regulation enables some districts to be eligible for federal funding as it is available.

(c) How much will it cost to administer this program for the first year? The cost will depend on how many currently identified priority schools exit the process, and how many are eligible for or determined by the agency to need a follow-up diagnostic review. At this point, approximately three schools have exited the process, but since schools must fail to meet annual measurable objective (AMO) goals for three years to be identified, the first replacement schools will not be identified until the 2014-15 data release. The cost will be between $12,000 and $18,000 per diagnostic review depending on the student population of the school. Approximately 14 reviews are expected per year.

(d) How much will it cost to administer this program for subsequent years? The cost will depend on how many currently identified priority schools exit the process, and how many are eligible for or determined by the agency to need a follow-up diagnostic review. At this point, approximately three schools have exited the process, but since schools must fail to meet annual measurable objective (AMO) goals for three years to be identified, the first replacement schools will not be identified until the 2014-15 data release. The cost will be between $12,000 and $18,000 per audit depending on the student population of the school. Approximately 14 reviews are expected per year.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-):

Expenditures (+/-):

Other Explanation:

Summary Page - Incorporation by Reference

703 KAR 5:260. Implementation of intervention options in priority schools and districts

(1) The following document is incorporated by reference:

(a) "The Missing Piece of the Proficiency Puzzle, June 2007".

(2) This document is used in conducting the leadership reviews outlined in this administrative regulation.

(3) The document incorporated by reference consists of thirty (30) pages.