



KENTUCKY DEPARTMENT OF EDUCATION
Local Superintendent's Advisory Council (LSAC)

SUMMARY

Sept. 27, 2022

Members: Chair Robbie Fletcher, Vice-Chair David Raleigh, Harry Burchett, David Cox, Will Hodges, Sheila Mitchell, Kelley Ransdell, Mike Borchers, Russ Tilford (absent), Thom Cochran (absent), Kirk Biggerstaff (absent)

Agenda Item: 701 KAR 8:010E, 701 KAR 8:010, 701 KAR 8:020E, 701 KAR 8:020, 701 KAR 8:030E, 701 KAR 8:030, 701 KAR 8:040E, and 701 KAR 8:040; Charter School Funding Regulations

Presenters: Kelly Foster, Associate Commissioner, and Matthew Courtney, Policy Advisor, Office of Continuous Improvement and Support (OCIS), Kentucky Department of Education

Summary of Discussion: The committee reviewed each of the regulations and the changes necessary to conform to House Bill (HB) 9 (2022). The committee discussed the need for changes only to reflect those required by HB 9.

Action Taken: The committee voted to approve the eight regulations covered by this item. The LSAC members approved the regulations on an 8-0 vote. Robbie Fletcher, Sheila Mitchell, David Raleigh and Kelly Ransdell explained their votes and expressed concerns about charter schools but acknowledged that the Kentucky Board of Education (KBE) is required by law to promulgate regulations aligned with HB 9. Mike Borchers, David Cox and Harry Burchett voted yes, without comment.

Follow-up Required: No follow-up action is required.

Agenda Item: 701 KAR 8:050 and 701 KAR 8:050E; Charter School Funding Regulations

Presenters: Robin Kinney, Associate Commissioner, and Matt Ross, Policy Advisor, Office of Finance and Operations (OFO), Kentucky Department of Education

Summary of Discussion: Kinney presented a PowerPoint setting forth the statutory funding provisions for charter schools and explaining why KBE is required to promulgate charter funding regulations. The proposed identical ordinary and emergency regulations are necessary pursuant to KRS 160.1596 which requires the KBE promulgate administrative regulations to "govern the calculation and distribution of funds due to public charter schools from school districts, the schedule of distribution of funds, and the imposition of fines for late distribution of funds." Kinney explained that the statutory funding scheme is comprehensive and that the proposed

regulations primarily cite back to the existing statutory provisions to provide funding to charter schools. She further highlighted the areas where KDE established additional regulatory provisions. KDE added deadlines for charter schools to have an approved contract to be eligible for funding in the 2024-25 school year. This is necessary for the Support Education Excellence in Kentucky (SEEK) calculation purposes as well as school district and charter budgeting purposes. The deadline is not applicable for school year 2023-24 because of the timing of the proposed regulations and the need for authorizers to be able to approve charters for the 2023-24 school year. KDE additionally added a deadline for school districts to work with KDE to provide charter applicants with projected funding estimates. Accurate estimates are important to allow a charter applicant to budget and determine whether an application is viable. Council members discussed their concerns that the statutory funding scheme is unconstitutional for various reasons, including because it requires the transfer of local tax revenue to charter schools, establishes a parallel system of schools and treats charter schools differently than traditional school districts. Council members ultimately approved the proposed regulations because they were consistent with the requirements of KRS 160.1596.

Action Taken: KBE is required, pursuant to KRS 160.1596, to promulgate an administrative charter funding regulation; LSAC approved the proposed charter funding regulations on a 7-1 vote. Kelly Ransdell, Mike Borchers, Harry Burchett, Robbie Fletcher, Will Hodges and David Raleigh explained their votes and expressed concern about the constitutionality of HB 9 and the associated regulations. David Cox voted yes, without comment. Sheila Mitchell voted no.

Follow-up Required: None.

Chair Fletcher concluded the Sept. 27 meeting stating his appreciation to the members of LSAC for their time and thorough review of these regulations. The LSAC members recognize the purpose of KDE to promulgate regulations per statutes and that is understood. However, Chair Fletcher wanted the minutes to reflect that this set of regulations was a tough topic for everyone and that this council did not vote for charter schools today.