

MINUTES OF THE HOUSE COMMITTEE ON EDUCATION K-12.

The meeting was called to order by Chairperson Ralph Tanner at 9:30 a.m. on February 18, 2002 in Room 313-S of the Capitol.

Committee staff present: Ben Barrett, Legislative Research Department
Jill Wolters, Revisor of Statutes
Ann Deitcher, Committee Secretary

Conferees appearing before the committee: Representative David Huff
Tim Rooney, Shawnee Mission Schools
Mark Tallman, KASB
Dale Dennis, KSDE

HB 2271 - USD 512, Johnson County; relating to elections on closure of school buildings.

HB 2321 - USD 512, Johnson County; relating to elections on closure of school buildings.

The Chair explained that **HB 2271 and HB 2321** are identical. He spoke of a bill that has now cleared the Senate, and has language touching upon the issue of school buildings or site closures that seems to be preferred. One of the advantages to hearing the Senate bill would be that it could be heard after turn-around when there would be more time. With this in mind it was decided to clear the day's agenda of **HB 2271 and HB 2321** and wait until the Senate bill with preferred language is assigned to the House Education Committee.

HB 2777 - School districts; power to execute contracts, paying dues and claims.

Representative Huff spoke to the Committee as a proponent of **HB 2777**. (Attachment 1).

Next to address the Committee in favor of **HB 2777** was Tim Rooney, Manager of Budget and Finance for the Shawnee Mission School District. (Attachment 2).

A brief question and answer session followed.

Mark Tallman offered testimony in explanation of the stand the KASB is taking on **HB 2777**. (Attachment 3).

Dale Dennis spoke to the Committee reminding them that school districts only have the authority that the Legislature gives them.

The hearing on **HB 2777** was closed.

A motion was made by Representative Morrison and seconded by Representative Tomlinson that **HB 2777** be considered favorably for passage. The motion carried on a voice vote.

The meeting was adjourned at 10:40 a.m. The next meeting is scheduled for Tuesday, February 19.

Testimony on HB 2777
Presented by: Representative David Huff

Doctor Tanner, Vice Chair Lloyd and ranking minority Reardon, members of the Education committee:

It is a pleasure to appear before this committee for the first time in my six years in the legislature.

House Bill 2777 will help school districts run more efficiently doing their everyday business. This bill covers three general areas. 1. It would allow for early payment of bills to obtain cash discounts prior to board approval. 2. Allow school districts to pay annual dues to the KSSB and other organizations. 3. Would allow other designated employee to sign checks for under \$10,000 for goods and services other than the school superintendent.

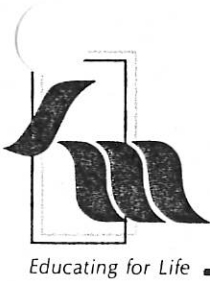
Mr. Chairman that is the crux of this bill. With your permission I would like to differ questions until after Mr. Rooney, our next conferee from the Shawnee school district, gives his testimony.

Thank you.

House Education Committee

Date: 2/18/02

Attachment # 1



Shawnee Mission Public Schools
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Business Office
Manager Budget and Finance

Educating for Life

TESTIMONY IN FAVOR OF HB 2777

February 18, 2002

My name is Tim Rooney and I am the Manager of Budget and Finance for the Shawnee Mission School District. I am pleased to speak in favor of HB 2777. This bill addresses three distinct areas where the practice of many school districts doesn't match the current interpretation of the law.

The first area addresses the payment of claims. All claims are to be submitted to the board prior to release unless there is a 1) discount for early payment, 2) penalty for late payment, or 3) when an employee travels and the normal reimbursement period would exceed 15 days. Due to timing issues, other payments need to be made before the next board meeting.

After each payroll, payments to the state and federal government and benefits vendors need to be made for amounts withheld from employees' checks. We often have registrations or travel related expenditures that are submitted too late. Sometimes this is due to improper planning, but not always. Occasionally, we have checks that are prepared using the wrong vendor. When this is discovered, we want to reissue the check to the correct vendor as soon as possible. The Shawnee Mission School District has two board meetings per month, except in December and March. These months have more exception requests.

HB 2777 would provide the ability for districts to pay these bills in advance of the board meeting. As current law provides, any claim that can be approved prior to the board meeting must still be presented to the board at the next regular board meeting.

The second area covered by HB 2777 is in regard to memberships. We recently received an opinion that school districts are not allowed to pay memberships, except for KASB and KSHSAA. These two are specifically authorized under separate statutes.

The district currently pays other dues through district and activity funds. As an example, the dues for the Sunflower League are paid. If we discontinue paying these dues, our students could no longer compete in athletics and we would lose representation on the KSHSAA. A similar effect would be felt in the multitude of other student clubs aligned with a curricular area. Their competitions are also contingent upon membership in the sponsoring organization.

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Attachment # 2-1

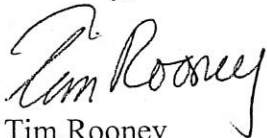
Our teachers and administrators belong to professional clubs at their own personal expense. In some cases, the district belongs to an organization as a means to acquire periodicals that are not available without a membership. In our curriculum development department, for example, the district receives materials that discuss current trends and techniques. In some cases, sample lesson plans are included. Some of this information gets incorporated in the district's curriculum. The district belongs to the Association of School Business Officials and subjects the district's financial report to a review to determine if the report meets accounting and disclosure standards. These are a few examples where dues have been paid.

This bill would allow the local school board to pay whatever dues they feel are appropriate to carry out their mission.

The last area covered by HB 2777 is in regard to the approval of contracts. The Shawnee Mission School Board has a policy that delegates levels of approval for purchases less than \$10,000. District officials felt that this policy was consistent with the law. Last year, SB 161 was passed. It allowed the board to delegate authority to approve contracts less than \$10,000 to the superintendent. This made us question whether the board had any authority to delegate contracts to district employees prior to the passage of the bill. While the superintendent now has express authority to approve contracts less than \$10,000, it is unworkable to think that she can sign all purchase orders and other contracts of the district. This would include each school activity fund purchase order. Therefore, we support HB 2777 that allows the board to delegate to other district employees as well.

I'd be glad to answer any questions.

Sincerely,



Tim Rooney
Manager, Budget and Finance
Shawnee Mission Public Schools

KANSAS
ASSOCIATION



OF
SCHOOL
BOARDS



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Testimony on
HB 2777 (Payments by School Districts)
Before the
House Committee on Education

By

Mark Tallman, Assistant Executive Director/Advocacy
Kansas Association of School Boards

February 18, 2002

Mr. Chairman, Members of the Committee:

HB 2777 would do three things: it would make clear that school boards can authorize advance payments of bills when action is required before the next board meeting; allow school districts and community colleges to pay dues to our Association from funds other than the general fund and authorize dues payments to other organizations; and allow boards to delegate to other employees (not just the superintendent) authority to execute contracts for the purchase of goods and services for less than \$10,000.

Each of these items seems to us a common-sense choice that should be determined by local elected officials at the local level. This bill is yet another example of the kind of legislation that must be sought every year because of the limited power granted to local boards.

As the Committee surely knows, we believe the solution is not to keep passing this kind of bill, but to give local boards broader powers of local control. SB 166, which has been jointly referred to this Committee and the Committee on Local Government, would do just that.

Before concluding, I want to make sure the community understands that dues paid to our Association provide far more services to local school districts, community colleges, vocational schools and colleges and interlocals than lobbying. Only about three members of our more than 30 staff members are primarily assigned to legislative activities.

Membership in KASB provides free legal advice to any member, resulting in literally hundreds of phone calls per week. We provide a policy service to inform boards on new state and federal laws and regulations that require changes or additions to local policies. We provide an extensive research service on school district finances, especially regarding employee relations.

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We provide a workers compensation pool for nearly two-thirds of Kansas school districts. Within the past two years, we have created an energy purchasing pool that serves nearly 100 districts, and we are currently working to implement a property insurance pool. In each case, these services can save our members more than they spend on dues.

KASB also provides educational seminars for board members and staff throughout the year, including the only statewide program for new board members. We publish regular newsletters and a magazine on education issues and board service, all free to our member boards.

Approximately half of our nearly \$3 million annual budget comes from member dues, and the balance comes from payment for specific services.

It is also important to remember that KASB dues are voluntary. No board is required to belong to KASB, but over 95 percent of school boards belong, plus a high percentage of other local education agencies. In other words, we must justify membership every year to members by providing services they need in a cost-effective way.

I mention these services because last year the House considered an amendment to a bill that would have had the effect of prohibiting school districts from paying dues to KASB. The sponsor suggesting this step would have simply prohibited school districts from lobbying and would have saved districts money. Although that amendment failed, I want to make sure the members of this Committee understand that KASB provides far more benefits to local boards than lobbying activities.

Thank you for your consideration.