

**CHAPTER 118****( HB 825 )**

AN ACT relating to an audit of the Kentucky Department of Education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

➔Section 1. (1) Notwithstanding any law to the contrary, the Office of the Auditor of Public Accounts shall conduct a special examination of the Kentucky Department of Education, the Kentucky School for the Blind, the Kentucky School for the Deaf, and the department operated area technology centers and shall assess the extent to which the department complies with statutory mandates and requirements.

(2) The Office of the Auditor of Public Accounts or its authorized agents shall conduct a special examination to assess the Kentucky Department of Education's operational effectiveness relating to the efficient management, control, and operation of the schools, departments, projects, and initiatives under its jurisdiction, including identification of those departments, projects, and initiatives that do not serve to improve the educational outcomes of the Commonwealth's students. The examination shall identify any area of operation demonstrating a significant lack of efficiency and effectiveness. The examination shall include but not be limited to the following areas:

- (a) Academic standards;
- (b) Statewide accountability and assessments;
- (c) Monitoring and consolidated monitoring of districts and programs;
- (d) Diversity, equity, and inclusion initiatives;
- (e) Exceptional children;
- (f) Preschool;
- (g) Model curriculum;
- (h) State board oversight of the commissioner of education;
- (i) Area technology centers;
- (j) Interscholastic athletics;
- (k) Staffing and support of the Education Professional Standards Board;
- (l) Community education programs and services; and

(m) The performance of the commissioner of education as it relates to managing the Kentucky Department of Education.

(3) The Office of the Auditor of Public Accounts or its authorized agents shall have the authority provided under KRS 43.080 for conducting the special examination under this Act.

(4) The Office of the Auditor of Public Accounts may contract with a third party to perform a full performance review of the facilities operated by and the programs administered by the Department of Education. The Office of the Auditor of Public Accounts may contract with an entity that has experience in reviewing the performance of state education agencies and their facilities and programs.

(5) Notwithstanding any law to the contrary, the Office of Public Accounts shall procure professional services by a personal service contract through noncompetitive negotiation with an entity that has experience in reviewing the performance of state education agencies and their facilities and programs.

(6) The contracting party shall enter into a memorandum of understanding with the Legislative Research Commission concerning the exchange of materials and work papers and maintenance of confidentiality. The contract shall provide that the performance review results shall be reported to the Legislative Research Commission, the standing and interim Education Committees, and any materials related to the performance review shall be provided to the Legislative Research Commission and the standing and interim Education Committees. An initial preliminary report of the results of the performance review shall be submitted to the Legislative Research Commission by October 15, 2024, to be distributed to relevant committees.

(7) Upon completion of the special examination, the office shall prepare a report of the examination's findings and recommendations. The report shall include recommendations on how the fiscal controls and operations of the Kentucky Department of Education may be improved. The report shall be electronically submitted and presented to the Interim Joint Committee on Education by July 1, 2025. A copy shall be furnished to the Kentucky Board of Education.

(8) The cost of the special examination shall be borne by the Kentucky Department of Education through the department's general operating fund.

**Became law without Governor's signature April 9, 2024.**