

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas  
2 86th General Assembly  
3 Regular Session, 2007

# A Bill

HOUSE BILL 1478

4  
5 By: Representative Pickett  
6  
7

## For An Act To Be Entitled

8  
9 THE EDUCATION SERVICE COOPERATIVE ACT OF 2007.  
10

### Subtitle

11  
12 THE EDUCATION SERVICE COOPERATIVE ACT OF  
13 2007.  
14  
15

16 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
17

18 SECTION 1. Arkansas Code § 6-13-1001 is amended to read as follows:  
19 6-13-1001. Title.

20 The title of this subchapter shall be "The Education Service  
21 Cooperative Act of ~~1985~~ 2007".  
22

23 SECTION 2. Arkansas Code § 6-13-1002 is amended to read as follows:  
24 6-13-1002. Education service cooperatives established – Functions.

25 (a)(1) The State Board of Education is authorized to establish a  
26 statewide system of not more than fifteen (15) multicounty education service  
27 cooperatives ~~of school districts~~.

28 (2) ~~Such cooperatives shall be~~ The education service  
29 cooperatives are intermediate service units in the state's elementary and  
30 secondary education system and ~~as such shall be~~ are eligible to receive and  
31 expend funds from state and federal governments, school districts, and other  
32 public or private sources.

33 (b) ~~Education service cooperatives~~ The primary purposes of an  
34 education service cooperative established by this subchapter ~~will~~ are to  
35 ~~provide to school districts which choose to use them assistance in:~~

36 ~~(1) Meeting or exceeding accreditation standards and equalizing~~



1 ~~educational opportunities;~~

2 ~~(2) Using educational resources more effectively through~~  
3 ~~cooperation among school districts; and~~

4 ~~(3) Promoting coordination between school districts and the~~  
5 ~~Department of Education in order to provide services which are consistent~~  
6 ~~with the needs identified by school districts and the educational priorities~~  
7 ~~of the state as established by the General Assembly or the board.~~

8 (1) Provide assistance to its participating districts in meeting  
9 the state's goals for student academic achievement under the Arkansas  
10 Comprehensive Testing, Assessment, and Accountability Program Act, § 6-15-401  
11 et seq.; and

12 (2) Promote coordination between its participating districts and  
13 the Department of Education in order to ensure that the programs and services  
14 provided by the education service cooperative meet:

15 (A) The educational priorities of the state as established  
16 by the General Assembly and the State Board of Education; and

17 (B) The needs identified by the school districts served by  
18 the education service cooperative.

19 (c) The provisions of this subchapter do not apply to a cooperative  
20 established under § 6-13-901 et seq. that does not voluntarily become one (1)  
21 of the fifteen (15) education service cooperatives under this subchapter.

22 (d) As used in this subchapter:

23 (1) "Participating district" means a public school district  
24 within the service area of an education service cooperative that participates  
25 in the programs and services provided by the education service cooperative;

26 (2) "Service area" means all public school districts within the  
27 boundary of the education service cooperative, whether or not the school  
28 district is a participating district; and

29 (3) "State funding" means all state funds received by the  
30 education service cooperative including without limitation:

31 (A) The base funding provided in § 6-13-1019;

32 (B) Grants; and

33 (C) State foundation funding aid and categorical funding  
34 assigned to it by a participating district.

35  
36 SECTION 3. Arkansas Code § 6-13-1003 is amended to read as follows:

6-13-1003. Boundaries – Adjustments.

(a) The State Board of Education shall establish ~~tentative~~ the boundaries for the system of education service cooperatives authorized by this subchapter.

(b) ~~These~~ Each education service ~~cooperatives~~ cooperative will be established so that its service area includes:

(1) ~~They include at~~ At least three (3) but no more than nine (9) counties;

(2) ~~They include at~~ At least ten (10) but no more than thirty-five (35) school districts;

(3) ~~They include at~~ At least twenty thousand (20,000) pupils in ~~kindergarten~~ kindergarten through grade twelve (K-12) average daily membership;

(4) ~~They include at~~ At least one (1) postsecondary education institution; and

(5) ~~There is no~~ No more than fifty (50) miles distance or approximately one (1) hour driving time to the area’s main offices for ninety percent (90%) of the school districts.

(c)(1) The state board may ~~make adjustments in~~ reorganize the boundaries when: ~~criteria such as minimum average daily membership and maximum driving distances conflict.~~ However, no more than four (4) of the areas formed may contain fewer than twenty thousand (20,000) students. ~~In no case shall any cooperative be established with fewer than twelve thousand (12,000) pupils.~~

(A) The total average daily membership in kindergarten through grade twelve (K-12) for the school districts within the education service cooperative’s boundaries falls below twenty thousand (20,000); or

(B) The state board determines that the education service cooperative has failed to offer the programs and services required by § 6-13-1002.

(2) The state board may reorganize the boundaries of an education service cooperative under subdivision (c)(1) of this section either:

(A) On its own initiative; or

(B) Upon its approval of a petition filed pursuant to § 6-13-1005.

1           (3) The state board may effect the reorganization by:

2                   (A) Including within its boundaries one (1) or more school  
 3 districts that are contiguous to the reorganized education service  
 4 cooperative; or

5                   (B) Merging one (1) education service cooperative with  
 6 another to form a satellite education service cooperative to serve a school  
 7 district with a small population.

8           (4) The main office or satellite office of an education service  
 9 cooperative reorganized under this subsection (c) must be within fifty (50)  
 10 miles of at least eighty percent (80%) of the school districts within its new  
 11 boundaries.

12  
 13           SECTION 4. Arkansas Code § 6-13-1004 is amended to read as follows:

14           6-13-1004. Requests for establishment of cooperative – Requirements.

15           (a) Education service cooperatives shall be established when seventy-  
 16 five percent (75%) of the school districts in a proposed ~~cooperative~~  
 17 education service cooperative's service area request such action by formal  
 18 resolutions filed by the school district boards of directors with the  
 19 ~~Director of the Department~~ Commissioner of Education.

20           (b) Each resolution shall, in addition to requesting establishment of  
 21 an education service cooperative, indicate by name or position that school  
 22 district's representative on the board of directors of the proposed education  
 23 service cooperative.

24           (c) Requests must be filed by seventy-five percent (75%) of the school  
 25 district boards of directors by May 1 if an education service cooperative is  
 26 to be established for the following school year.

27  
 28           SECTION 5. Arkansas Code § 6-13-1005 is amended to read as follows:

29           6-13-1005. ~~Alteration~~ Reorganization of boundaries.

30           ~~(a)~~ The State Board of Education, upon the request of one (1) or more  
 31 school district boards of directors, and consistent with the provisions of §  
 32 6-13-1003, may ~~alter~~ reorganize the boundaries of a ~~proposed or operational~~  
 33 an education service cooperative established or proposed to be established  
 34 under this subchapter when it determines ~~such alteration~~ the reorganization  
 35 to be in the best interest of the school districts in the education service  
 36 cooperatives involved.

1           ~~(b) Consistent with provisions of § 6-13-1003, no member of an~~  
 2 ~~existing pilot cooperative established under Acts 1983 (1st Ex. Sess.), No.~~  
 3 ~~103 [repealed] nor any member of a cooperative formed after January 1, 1984,~~  
 4 ~~under § 6-13-901 et seq., may be moved to another education service~~  
 5 ~~cooperative without that member's consent.~~

6  
 7           SECTION 6. Arkansas Code § 6-13-1006 is amended to read as follows:  
 8           6-13-1006. Board of directors.

9           (a) ~~Each education service cooperative shall be governed by a board of~~  
 10 ~~directors, consisting of one (1) representative appointed by each school~~  
 11 ~~district board of directors within the boundary of the cooperative.~~

12           ~~(b) No school district may have official representation on more than~~  
 13 ~~one (1) cooperative board of directors. Each board of directors shall have~~  
 14 ~~nine (9) members consisting of:~~

15                     ~~(1) Three (3) superintendents of public school districts;~~

16                     ~~(2) Three (3) members of school district boards of directors,~~  
 17 ~~which may include a participating district's board of directors;~~

18                     ~~(3) Two (2) public school teachers; and~~

19                     ~~(4) One (1) member of the business community.~~

20           ~~(c) Each member of the board of directors shall be a resident of the~~  
 21 ~~participating district from which he or she is nominated.~~

22           ~~(d) A person is disqualified to serve as a director if he or she is a~~  
 23 ~~member of any other education service cooperative board.~~

24           ~~(e) The participating districts of an education service cooperative~~  
 25 ~~shall elect the education service cooperative board of directors by the~~  
 26 ~~following method:~~

27                     ~~(1) By June 1 of each year, the executive director of the~~  
 28 ~~education service cooperative shall solicit from its participating districts~~  
 29 ~~nominations for each open board position;~~

30                     ~~(2) The executive director shall provide to each participating~~  
 31 ~~district's board of directors a ballot containing the names of the~~  
 32 ~~candidates;~~

33                     ~~(3) Each participating district's board of directors shall~~  
 34 ~~return to the executive director of the education service cooperative the~~  
 35 ~~ballot containing the result of its vote on the candidates;~~

36                     ~~(4) The executive director must receive the ballot by June 30 or~~

1 the last business day before June 30 if June 30 is not a business day; and

2 (5) The candidate for each position receiving the highest number  
 3 of votes is elected to serve in that position.

4 (f)(1) The State Board of Education shall establish by rule the method  
 5 of electing the initial education service cooperative board of directors from  
 6 the school districts within the education service cooperative's service area.

7 (2) School districts that desire to vote in the initial election  
 8 must submit to the state board a written statement that the school district  
 9 intends to become a participating district.

10 (g)(1) Except as provided in subdivision (g)(2) of this section each  
 11 member of the board of directors shall serve a term of three (3) years.

12 (2) The terms of the initial board of directors of an education  
 13 service cooperative shall be staggered terms determined by drawing lots.

14 (h) The remaining members of the board of directors may fill a vacancy  
 15 by appointing a director to complete the unexpired term.

16 (i)(1) Except for the executive director, a member of the board of  
 17 directors shall serve without compensation from the education service  
 18 cooperative.

19 (2) An education service cooperative may reimburse a member of  
 20 the board of directors for necessary expenses incurred by the member in  
 21 performing his or her duties.

22 ~~(e)(j)~~ The board of directors of each established education service  
 23 cooperative shall:

24 (1) function Function as a public corporate body, shall;

25 (2) meet, except as otherwise provided in § 6-13-1007, Meet at  
 26 least eight (8) times each year, and shall;

27 (3) exercise Exercise general fiduciary responsibilities for the  
 28 education service cooperative with regard to policies and practices which  
 29 that guard the integrity of the agency education service cooperative and  
 30 maintain public trust in its operation;

31 ~~(d) Such responsibilities, consistent with funds available, shall~~  
 32 ~~include, but not be limited to:~~

33 ~~(1)(4) Employment of a director of the education service~~  
 34 ~~cooperative who shall serve as the nonvoting~~ Employ an executive officer  
 35 director of the board of directors subject to the provisions of § 6-13-1010;

36 ~~(2)(5)(A) Establishment of~~ Establish policies and procedures for

1 the operation and management of the education service cooperative.

2 (B) The policies and procedures shall be in writing and  
 3 ~~which shall be in written form and shall be~~ filed with the State Board of  
 4 Education;

5 ~~(3)(6) Preparation of~~ Prepare an annual budget estimating income  
 6 and expenditures for programs and services in accordance with procedures  
 7 established by the state board;

8 ~~(4)(7) Receipt and expenditure of~~ Receive and expend funds  
 9 needed to provide programs and services in the area;

10 ~~(5)(8) Making~~ Make such surveys, assessments, or other inquiries  
 11 ~~which that~~ may be required to determine the service needs of school districts  
 12 ~~in within~~ the service area of the education service cooperative and  
 13 ~~developing~~ develop plans to provide ~~such those~~ needed programs and services;

14 ~~(6)(9) Employment, upon~~ Upon the recommendations of the ~~director~~  
 15 executive director of the education service cooperative, employ of such the  
 16 ~~personnel as may be required~~ needed to provide ~~the~~ programs and services to  
 17 its participating districts requested by the school districts in the area;

18 ~~(7)(10) Implementation of~~ Implement policies established by the  
 19 state board for the operation of education service cooperatives;

20 ~~(8)(11) Cooperation~~ Cooperate with other education service  
 21 cooperatives, school districts, and other agencies to provide programs and  
 22 services for children and adults residing within their respective areas;

23 ~~(9)(12) Renting, leasing, purchasing, constructing, or receiving~~  
 24 Rent, lease, purchase, construct, or receive by gift such facilities and  
 25 buildings as may be required to provide authorized programs and services; and

26 ~~(10)(13) Carrying~~ Carry out such other duties as may be required  
 27 for the efficient operation of the education service cooperative or as  
 28 required by law for which the board is responsible.

29  
 30 SECTION 7. TEMPORARY LANGUAGE – DO NOT CODIFY. By June 30, 2008, each  
 31 education service cooperative in existence on the effective date of this act  
 32 shall comply with the provisions of this act regarding the terms of  
 33 membership on its board of directors and the method of electing its board of  
 34 directors.

35  
 36 SECTION 8. Arkansas Code § 6-13-1007 is repealed.

~~6-13-1007. Executive committee.~~

~~(a)(1) In a meeting, with a majority of its members present and voting, the board of directors of an education service cooperative may elect from its membership an executive committee of seven (7), nine (9), or eleven (11) members.~~

~~(2) Candidates for the executive committee, if one is formed, shall be chosen so that the school districts within the education service cooperative are equitably represented.~~

~~(3) All subsequent members of the executive committee shall be elected by a majority vote of the board of directors in attendance at the annual meeting.~~

~~(b) The function of the executive committee shall be to carry out those duties delegated to it by the governing board, the provisions of § 6-13-1006 notwithstanding.~~

~~(c) Terms of executive committee members shall be three (3) years except for the initial members which shall have terms assigned by lot so as to stagger terms to equalize as nearly as possible the number of members to be elected each year. Vacancies occurring after the annual meeting shall be filled by the executive committee until the next annual meeting.~~

~~(d) Should an executive committee be established in any education service cooperative, it shall meet at least nine (9) times per year, and the requirements for board of directors meetings shall be reduced to three (3) times annually. The president of the board of directors shall serve as chairman of the executive committee. No person, however, may serve in this position for more than two (2) consecutive years.~~

SECTION 9. Arkansas Code § 6-13-1008 is amended to read as follows:

6-13-1008. Teacher center – Teacher center committee.

(a) Each education service cooperative shall establish a teacher center ~~which~~ that will provide, consistent with funds available, curriculum development assistance, educational materials, and staff development services to teachers ~~within the school districts in the service area~~ in its participating districts.

(b)(1) A teacher center committee, ~~composed of at least one (1) representative from the staff of each school district,~~ shall advise the executive director and the governing body board of directors on the staffing,



1 programs, and operation of the teacher center.

2 (2) The teacher center committee shall be composed of at least  
 3 one (1) representative from the staff of each participating district.

4 (c) ~~The governing body~~ board of directors of each education service  
 5 cooperative shall ~~determine~~ assure that:

6 (1) the ~~The~~ initial composition of the ~~teacher center~~ committee  
 7 ~~to achieve~~ achieves a balance of elementary, middle school or junior high,  
 8 and high school personnel; and

9 (2) assure that at ~~At~~ least one-half (1/2), but not more than  
 10 two-thirds (2/3), of the members of the teacher center committee are  
 11 classroom teachers.

12 (d) ~~All positions on~~ Each member of the teacher center committee shall  
 13 be assigned to ~~school districts~~ a participating district by ~~lot~~ drawing lots.

14 (e) Each teacher must be elected by colleagues in his or her school  
 15 district, and each administrator or support person shall be appointed by the  
 16 superintendent.

17 (f) Initial terms shall be determined by ~~lot~~ drawing lots for equal or  
 18 nearly equal periods of one (1), two (2), and three (3) years.

19 (g) Thereafter, terms shall be for three (3) years.

20 (h) The teacher center committee shall meet at least three (3) times  
 21 per year.

22 (i) In the last meeting each year, positions represented by expiring  
 23 terms shall be reassigned by ~~lot~~ drawing lots.

24  
 25 SECTION 10. Arkansas Code § 6-13-1009 is amended to read as follows:  
 26 6-13-1009. Cooperative committees generally.

27 (a)(1) Each education service cooperative shall establish an advisory  
 28 committee to consist of one (1) superintendent from each participating  
 29 district.

30 (2) The advisory committee shall:

31 (A) Meet at least four (4) times each year; and

32 (B) Make recommendations to the board of directors of the  
 33 education service cooperative on programs and services.

34 (b) Each education service cooperative may establish other committees  
 35 of local school personnel needed to ~~keep its~~ ensure that the education  
 36 service cooperative's programs and services are responsive to the schools ~~it~~

1 the education service cooperative serves.

2

3 SECTION 11. Arkansas Code § 6-13-1010 is amended to read as follows:

4 6-13-1010. ~~Director~~ Executive director.

5 (a) Each education service cooperative shall be administered by a  
6 ~~director~~ an executive director of its board of directors who shall perform  
7 the following duties:

8 (1) Administer the programs and services of the education  
9 service cooperative;

10 (2) Recommend the employment of professional and nonprofessional  
11 personnel authorized by the education service cooperative's ~~governing body~~  
12 board of directors;

13 (3) Prepare the budget for adoption by the education service  
14 cooperative's ~~governing body~~ board of directors;

15 (4) Direct expenditures of funds within the budget; and

16 (5) Perform other duties as required by the education service  
17 cooperative's ~~governing body~~ board of directors and the policies, rules, and  
18 regulations of the State Board of Education.

19 (b) The ~~director~~ executive director of each education service  
20 cooperative shall:

21 (1) Hold an administrator's certificate and meet all  
22 requirements to serve as a superintendent of schools in the ~~State of Arkansas~~  
23 state; or

24 (2) Have an equivalent level of education and administrative  
25 experience and obtain the approval of the education service cooperative's  
26 board of directors.

27 (c)(1) The ~~governing body~~ board of directors of any education service  
28 cooperative may enter into a contract with a ~~director~~ an executive director  
29 for a period not to exceed three (3) years.

30 (2) Beginning with fiscal year 2008, the compensation under the  
31 contract shall comply with the uniform salary schedule for education service  
32 cooperative executive directors established by the State Board of Education.

33 (3)(A) The Commissioner of Education shall select the executive  
34 director from three (3) names submitted to him or her by the education  
35 service cooperative's board of directors.

36 (B) At the request of the commissioner, the education

1 service cooperative's board of directors shall submit additional names if the  
 2 commissioner determines that the persons initially proposed are not  
 3 qualified.

4 (d) The executive director shall be a nonvoting member of the  
 5 education service cooperative's board of directors.

6 (e) The executive director's salary, including benefits, is subject to  
 7 review by the state board based on the evaluation conducted by the Department  
 8 of Education pursuant to § 6-13-1021.

9  
 10 SECTION 12. Arkansas Code § 6-13-1012 is repealed.

11 ~~6-13-1012. Agency personnel.~~

12 ~~With the approval of an education service cooperative's governing body,~~  
 13 ~~the directors in the Department of Education may assign state educational~~  
 14 ~~agency personnel to that education service cooperative.~~

15  
 16 SECTION 13. Arkansas Code § 6-13-1013 is amended to read as follows:

17 6-13-1013. Policies, rules, and regulations.

18 (a) The State Board of Education shall develop such policies, rules,  
 19 and regulations as may be needed for the proper administration of this  
 20 subchapter consistent with the need to support and assist education service  
 21 cooperatives in the delivery of programs and services to school districts and  
 22 with prudent use of available human and financial resources.

23 (b) Such policies, rules, and regulations shall:

24 ~~(1) include, but not be~~ Include, limited to without limitation,  
 25 those concerns that keep the education service cooperatives operating within  
 26 appropriate state and federal laws; and

27 ~~(2) serve~~ Serve as guides for settling possible disputes between  
 28 school districts and in equity or jurisdictional matters relating to shared  
 29 assets, programs, and services.

30 (c)(1) By July 1, 2008, the state board shall develop a uniform  
 31 financial reporting system for education service cooperatives that:

32 (A) Fully discloses the financial condition of each education  
 33 service cooperative; and

34 (B) Ensures that the reporting is consistent and provides the  
 35 information deemed necessary and appropriate by the state board or the House  
 36 Interim Committee on Education and the Senate Interim Committee on Education.

1           (2) The uniform financial reporting system shall at a minimum:

2                   (A) Require the education service cooperative to provide:

3                           (i) A financial summary of the programs and services  
 4 it provided for the reporting year;

5                           (ii) The frequency with which those programs and  
 6 services are provided; and

7                           (iii) The frequency and level of participation in  
 8 those programs and services by school districts, individual public schools,  
 9 and public school teachers;

10                   (B) Define the programs and services that will be reported  
 11 on by the education service cooperative;

12                   (C) Identify the categories, codes, and accounting  
 13 standards an education service cooperative shall use in reporting its revenue  
 14 and expenditures to ensure consistent reporting;

15                   (D) Require an education service cooperative to report  
 16 the amount of:

17                           (i) State funding it received from the Department of  
 18 Education, including without limitation grants or state foundation funding  
 19 aid and categorical funding assigned to it by a participating district; and

20                                   (ii) Federal funding it received;

21                   (E) Require an education service cooperative to report the  
 22 expenditure of any state funding for the core programs and services  
 23 identified in § 6-13-1017; and

24                   (F) Provide guidelines for the annual report of the  
 25 education service cooperative required by § 6-13-1020.

26  
 27           SECTION 14. Arkansas Code § 6-13-1014 is amended to read as follows:

28           6-13-1014. Sharing and coordination of activities – Liaison.

29           (a) The Department of Education shall encourage sharing and  
 30 coordination of activities among the education service cooperatives.

31           (b) ~~The Director of the Department~~ To ensure that the education  
 32 service cooperatives established under this subchapter fulfill the goals and  
 33 purposes for which they are created, the Commissioner of Education shall  
 34 designate a person shall name a person to serve as the department's liaison  
 35 between the department and the education service cooperatives.

36           (c) ~~This~~ The liaison shall report directly to the commissioner and

1 shall perform the following duties:

2 (1) ~~provide~~ Provide information to the education service  
 3 cooperatives on resources and programs ~~and be;~~

4 (2) Serve as the general contact person in the department for  
 5 the education service cooperatives;

6 (3) Meet monthly with the executive director of each education  
 7 service cooperative;

8 (4) Evaluate each education service cooperative pursuant to § 6-  
 9 13-1021; and

10 (5) Perform such other functions as the commissioner may deem  
 11 necessary for the proper administration of this subchapter.

12 (d) The commissioner also may assign department personnel to an  
 13 education service cooperative to assist the education service cooperative  
 14 with:

15 (1) Improving student performance; and

16 (2) Performing other duties of the education service cooperative  
 17 under this subchapter requiring cooperation with the department.

18 (e) The executive director of an education service cooperative shall  
 19 serve as the education service cooperative's liaison with the department  
 20 unless with the approval of the department the board of directors designates  
 21 another member of the education service cooperative's staff.

22

23 SECTION 15. Arkansas Code § 6-13-1016 is amended to read as follows:  
 24 6-13-1016. Annual surveys and needs assessments.

25 (a)(1) ~~Each~~ Annually, each education service cooperative shall ~~conduct~~  
 26 annual surveys and needs assessments assess the needs of all school districts  
 27 in its service area to assist the education service cooperative in ~~its first~~  
 28 ~~priority of helping school districts improve their educational programs and~~  
 29 ~~practices~~ meeting the purposes for education service cooperatives set out in  
 30 this subchapter.

31 (2) An education service cooperative shall assess the needs of  
 32 any public school within its service area that is identified by the  
 33 Department of Education as being in school improvement under the Arkansas  
 34 Comprehensive Testing, Assessment, and Accountability Program Act, § 6-15-401  
 35 et seq. so that the education service cooperative can effectively assist the  
 36 public school with its school improvement plan.

1 (b) ~~Such activities may include written surveys, Annual needs~~  
 2 assessments shall include visits to public schools to meet with local  
 3 personnel.

4 (c)(1) In addition to the public school visits, education service  
 5 cooperatives may use written surveys and other means to identify local needs  
 6 throughout the service area.

7 ~~(e)(2) Before conducting a survey, Each an~~ education service  
 8 cooperative shall work with the Department of Education liaison ~~to conduct~~  
 9 ~~statewide surveys which complement, to ensure that the survey complements,~~  
 10 rather than ~~duplicate~~ duplicates, the ~~work of the department, department's~~  
 11 efforts to obtain

12 ~~(d) The objective shall be to obtain~~ statewide, area, and local data  
 13 ~~with as little duplication as possible.~~

14  
 15 SECTION 16. Arkansas Code § 6-13-1017 is amended to read as follows:  
 16 6-13-1017. Programs and services.

17 (a) The programs and services of each education service cooperative  
 18 shall be based upon the needs of the school districts included in its service  
 19 area and upon the educational priorities of the state.

20 (b) Each education service cooperative shall provide a teacher center  
 21 as its basic curriculum and staff development capability.

22 (c) Each education service cooperative established under this  
 23 subchapter shall provide the following core programs and services to its  
 24 participating districts that contract for the programs and services:

- 25 (1) Curriculum instruction and assessment;
- 26 (2) Professional development;
- 27 (3) Curriculum development and support services for the diverse  
 28 learning needs of public school students;
- 29 (4) Technology and media support;
- 30 (5) School leadership and management training; and
- 31 (6) Effective resource management.

32 ~~(e)(d)~~ Education service cooperatives may provide additional shared  
 33 educational programs and services such as needs assessment and school  
 34 improvement planning, staff development, curriculum development, itinerant  
 35 teachers, instructional materials, adult and vocational education, programs  
 36 for gifted and talented, education for children with disabilities,

1 alternative educational programs, secondary area vocational centers,  
 2 community-based education programs and other programs and services which the  
 3 State Board of Education may approve or which school districts may support  
 4 with local funds.

5 (e) The programs and services of an education service cooperative are  
 6 subject to review and evaluation by the Department of Education as provided  
 7 in § 6-13-1021.

8  
 9 SECTION 17. Arkansas Code § 6-13-1018 is amended to read as follows:  
 10 6-13-1018. Participation of local school districts - Contracts.

11 (a) Each school district within the service area of the education  
 12 service cooperative ~~shall be~~ is entitled to participate in those programs and  
 13 services ~~which that~~ are fully supported by state funds.

14 (b) No school district shall be required to participate in any program  
 15 or service, unless the school district has been identified as being in school  
 16 improvement, academic distress, or fiscal distress by the Department of  
 17 Education under § 6-15-426, § 6-15-428, or § 6-20-1906.

18 (c) School districts may enter into contracts with the education  
 19 service cooperative for programs and services supported partially or  
 20 completely by local school funds.

21 (d) School districts within one (1) education service cooperative may  
 22 also contract for programs and services with another education service  
 23 cooperative.

24  
 25 SECTION 18. Arkansas Code § 6-13-1019 is amended to read as follows:  
 26 6-13-1019. Funding of education service cooperatives.

27 (a) The state shall provide funds to support the basic structure of  
 28 the education service cooperatives established under the provisions of this  
 29 subchapter.

30 (b) This structure shall include:

31 (1) Salaries and fringe benefits for:

32 (A) a An executive director;

33 (B) a A teacher center coordinator; and

34 (C) ~~support~~ Support staff;

35 (2) Costs such as travel, utilities, rent, equipment, and  
 36 supplies;

1 (3) Funds to support staff and curriculum development  
 2 activities; and

3 (4) Funds in an annual amount not to exceed twenty-five thousand  
 4 dollars (\$25,000) for the travel expenses of itinerant personnel employed by  
 5 the education service cooperative to serve the part-time needs of ~~local~~  
 6 participating districts.

7 (c)(1) ~~School districts~~ A participating district may contract with  
 8 ~~their~~ its education service cooperative for programs and services and part-  
 9 time personnel to be supported in whole or in part by local funds.

10 (2) ~~but no~~ No education service cooperative may assess a  
 11 membership fee on a school district shall be assessed a membership fee.

12 (d)(1) ~~Categorical state~~ A participating district may assign to an  
 13 education service cooperative state categorical funds or federal funds ~~may~~  
 14 ~~also be assigned to any education service cooperative;~~

15 (A) ~~upon~~ Upon the approval of its governing body and the  
 16 participating district's board of directors;

17 (B) ~~under conditions set by~~ As provided by law; and

18 (C) Pursuant to the rules and regulations of the State  
 19 Board of Education.

20 (2) State categorical funds assigned by a participating district  
 21 to an education service cooperative may only be expended by the education  
 22 service cooperative for the core programs and services identified in § 6-13-  
 23 1017 or as approved by the state board.

24 (e) As a public agency, each education service cooperative shall be  
 25 eligible to receive and expend public and private funds.

26  
 27 SECTION 19. Arkansas Code § 6-13-1020 is amended to read as follows:

28 6-13-1020. Policies and procedures - Expenditures, reports, and  
 29 audits.

30 (a)(1) The policies and procedures for each education service  
 31 cooperative shall be filed with and approved by the State Board of Education.

32 (2) This report shall:

33 (A) ~~be~~ Be filed on or before June 1 of each year; and  
 34 ~~shall~~

35 (B) ~~contain~~ Contain, but is not limited to, a record of:

36 (i) ~~the~~ The education service cooperative's



1 employment policies and practices for the year;

2 ~~(ii) This annual employment record must include the~~  
 3 The race and ~~sex~~ gender of each person employed or terminated during the year  
 4 by the education service cooperative; ~~and the~~

5 ~~(iii) The race and ~~sex~~ gender~~ of every person who  
 6 sought employment with the education service cooperative during the year;  
 7 and

8 ~~(iv) The employment report must further disclose~~  
 9 name of each person employed by the education service cooperative during the  
 10 year who is related by blood or marriage to another employee or board member  
 11 of the education service cooperative.

12 ~~(2)(b) Reports of receipts and expenditures~~ The education  
 13 service cooperative shall file a financial report shall also be filed with  
 14 the state board ~~on forms provided and time schedules set by the Director of~~  
 15 ~~the Department of Education. These reports shall contain, but not be limited~~  
 16 ~~to, an itemization of administrative and programmatic expenditures.~~  
 17 ~~Expenditures shall be reported in accordance with uniform accounting~~  
 18 ~~procedures adopted by the department~~ in the manner prescribed by the state  
 19 board under § 6-13-1013.

20 ~~(3)(c) Education service cooperatives shall be~~ An education service  
 21 cooperative is subject to annual audits by the Legislative Joint Auditing  
 22 Committee.

23 (d) An education service cooperative shall report annually to the  
 24 state board and to the House Interim Committee on Education and the Senate  
 25 Interim Committee on Education on the achievement of students in its service  
 26 area who were served by the education service cooperative.

27 ~~(b)(e)(1) In an~~ At the annual meeting of ~~the~~ its board of directors  
 28 ~~which must be convened between May 15 and July 15, the~~ each education service  
 29 ~~cooperatives~~ cooperative shall report to ~~their constituent school~~ its  
 30 participating districts on the year's operations.

31 ~~(2) Such reports~~ The report shall be supplemented with a written  
 32 ~~reports~~ report to each participating district and to the Department of  
 33 Education on a school-by-school, service-by-service accounting basis.

34 (3) Any balance's balance in a particular service ~~accounts~~  
 35 account must be apportioned and returned to the applicable schools public  
 36 school or participating district ~~involved~~ or credited to ~~their accounts~~ its

1 account for the following year.

2

3 SECTION 20. Arkansas Code § 6-13-1021 is amended to read as follows:

4 6-13-1021. Evaluations.

5 (a) Within each ~~five-year~~ three-year period, on a schedule established  
6 by the ~~Director of the Department~~ Commissioner of Education, all active  
7 education service cooperatives must be visited by an evaluation committee ~~of~~  
8 ~~not more than nine (9) persons.~~

9 (b) ~~Each evaluation shall include, but not be limited to, an~~  
10 ~~investigation of user satisfaction, service adequacy, extent of local~~  
11 ~~financial support, staff qualifications, and performance and administration~~  
12 ~~effectiveness. The State Board of Education shall establish standards for the~~  
13 evaluation of education service cooperatives based on, without limitation,  
14 the following:

15 (1) Improvement in student achievement in the participating  
16 districts based on assessments conducted under the Arkansas Comprehensive  
17 Testing, Assessment, and Accountability Program Act, § 6-15-401 et seq.;

18 (2) Effectiveness and efficiency of participating districts;

19 (3) Cooperation and sharing of programs and services with other  
20 education service cooperatives;

21 (4) Results achieved with grants, state categorical funds  
22 assigned by participating districts, and base funding received from the  
23 state;

24 (5) Accurate and complete assessments of the needs of the school  
25 districts in the education service cooperative's service area;

26 (6) Delivery of core programs and services;

27 (7) Assistance provided to the Department of Education in  
28 meeting the state's educational goals; and

29 (8) Other areas of evaluation that the state board may establish  
30 by regulation or that the House Interim Committee on Education and the Senate  
31 Interim Committee on Education may request.

32 (c)(1) The report of ~~this~~ the evaluation committee shall be filed with  
33 the education service cooperative visited, with its ~~constituent school~~  
34 participating districts, and with the State Board of Education.

35 (2) The state board shall acknowledge receipt of the report and  
36 comment on any deficiencies identified in the report which should be

1 corrected for the education service cooperative to remain eligible ~~for~~ to  
 2 receive base funding from the state or assignments of state categorical funds  
 3 from its participating districts.

4 (d) The intent of this evaluation procedure is to provide a means for  
 5 school districts to express their concerns about the operation of their  
 6 education service cooperative and to ensure that each education service  
 7 cooperative remains alert and responsive to the needs of the local public  
 8 schools it serves.

9 (e)(1) For each evaluation, the ~~director~~ commissioner shall appoint  
 10 the evaluation committee and designate its ~~chairperson~~ chair.

11 (2) The evaluation committee shall be composed of nine (9)  
 12 persons.

13 ~~(2)(3)~~ (3) The evaluation committee shall include the following from  
 14 outside the ~~boundary~~ service area of the education service cooperative being  
 15 evaluated:

16 (A) A The Department of Education liaison or other  
 17 department staff member;

18 (B) A teacher;

19 (C) An administrator;

20 (D) A college staff member; and

21 (E) A present or former staff member of an ~~area~~-education  
 22 service ~~agency~~ cooperative other than the one (1) being evaluated.

23 (3) In addition, the evaluation committee shall include from  
 24 within the education service cooperative's area:

25 (A) A member of ~~the~~ a school district board of directors;

26 (B) A representative of business and industry; and

27 (C) ~~A school parent~~ Two (2) parents of public school  
 28 children, one (1) from each of two (2) school districts.

29 (4) Each education service cooperative shall pay the reasonable  
 30 costs of its evaluation.

31 (f) The State Board of Education shall prepare a report summarizing  
 32 the evaluations of education service cooperatives and file the report with  
 33 the House Interim Committee on Education and the Senate Interim Committee on  
 34 Education by September 1 of the year in which the evaluations are conducted.

35  
 36 SECTION 21. Arkansas Code § 6-13-1022 is amended to read as follows:

1 6-13-1022. Dissolution of education service cooperative.

2 (a) ~~After 1990, the~~ The State Board of Education ~~shall be is~~  
 3 authorized to dissolve any education service cooperative;

4 (1) ~~upon~~ Upon the request of a majority of its school district  
 5 boards of directors; or

6 (2) ~~upon~~ Upon the recommendation of the evaluation committee  
 7 ~~provided for~~ created in § 6-13-1021.

8 (b) The state board may dissolve the education service cooperative by  
 9 one of the following methods:

10 (1)(A) A dissolved education service cooperative's service area  
 11 ~~shall~~ may be assigned to one (1) or more adjacent education service  
 12 cooperatives, the provisions of § 6-13-1003 notwithstanding, ~~with.~~

13 (B) ~~the dissolved~~ The remaining base funding for the  
 14 dissolved education service cooperative for the year in which it is dissolved  
 15 cooperative's base funding shall be apportioned to ~~all remaining the~~  
 16 education service cooperatives ~~in the state~~ that receive the reassigned  
 17 service areas.

18 (e) (C) After payment of debts, the assets of a ~~the~~ dissolved  
 19 education service cooperative shall be distributed to the ~~school districts in~~  
 20 ~~its service area based on each school district's third quarter average daily~~  
 21 ~~membership for the immediately preceding school year~~ education service  
 22 cooperatives that receive the reassigned service areas.

23 (2)(A) The state board may dissolve the education service  
 24 cooperative and establish a new education service cooperative to serve all or  
 25 part of the dissolved education service cooperative's service area.

26 (B) A newly established education service cooperative is  
 27 eligible to receive the balance of the base funding apportioned to the  
 28 dissolved education service cooperative.

29 (C) After payment of debts, the assets of the dissolved  
 30 education service cooperative shall be distributed to the newly established  
 31 education service cooperative.

32  
 33 SECTION 22. Arkansas Code § 6-13-1023 is amended to read as follows:

34 6-13-1023. Technology training center - Technology coordinator.

35 (a) Consistent with funds available and upon a majority vote of the  
 36 members present and voting, the board of directors of each education service

1 cooperative established under this subchapter is authorized to establish a  
 2 technology training center and employ a technology coordinator who has  
 3 demonstrated expertise in computer technology and staff development.

4 (b) The duties of the technology coordinator at such technology  
 5 training center shall include, but are not ~~be~~ limited to, the following:

6 (1) To provide staff development for personnel of ~~member schools~~  
 7 participating districts;

8 (2) To assist ~~member schools~~ participating districts with  
 9 determining technology needs and types of computer hardware and software  
 10 necessary to meet those needs;

11 (3) To assist with technology system analysis and local network  
 12 design;

13 (4) To provide ~~member schools~~ participating districts with  
 14 information on technology standards and specifications;

15 (5) To develop and coordinate a technology training center  
 16 located at the education service cooperative;

17 (6) To coordinate information with the Arkansas Public School  
 18 Computer Network, the Instructional Microcomputer Project for Arkansas  
 19 Classrooms, and the Governor's Technology Task Force so that ~~member schools~~  
 20 participating districts will be informed on technological activity in the  
 21 state; and

22 (7) To assist with requests for proposal development and bid  
 23 analysis so that ~~member schools~~ participating districts will be better able  
 24 to spend funds for technology.

25  
 26 SECTION 23. Arkansas Code § 6-13-1025 is amended to read as follows:

27 6-13-1025. Mathematics and science center - Mathematics and science  
 28 coordinator.

29 (a) Consistent with funds available and upon a majority vote of the  
 30 members present and voting, the board of directors of each education service  
 31 cooperative established under this subchapter is authorized to establish a  
 32 mathematics and science center and to employ a mathematics and science  
 33 coordinator who has demonstrated expertise in mathematics and science  
 34 content, in pedagogy, and in staff development.

35 (b) The duties of the mathematics and science coordinator at the  
 36 mathematics and science resource center shall include, but not be limited to,

1 the following:

2 (1) Providing mathematics and science staff development for and  
 3 individual technical assistance to personnel of ~~member schools~~ participating  
 4 districts;

5 (2) Assisting ~~member schools~~ participating districts with  
 6 determining mathematics and science curricula, with instruction, and with  
 7 assessment of needs and resources necessary to meet those needs;

8 (3) Enhancing curricula and instruction using technology;

9 (4) Providing ~~member schools~~ participating districts with  
 10 information for curriculum alignment with mathematics and science standards  
 11 and state frameworks;

12 (5) Developing and coordinating a mathematics and science  
 13 resource center located at the education service cooperative; and

14 (6) Assisting with the development of requests for proposals for  
 15 teacher enhancement in mathematics and science.

16

17 SECTION 24. Arkansas Code § 6-13-1026 is amended to read as follows:

18 6-13-1026. ~~Cooperatives~~ Education service cooperatives qualify as  
 19 local education agencies.

20 (a) The General Assembly designates that the education service  
 21 cooperatives created by this subchapter meet the definition of "local  
 22 education agencies" by virtue of the fact that each is a public authority,  
 23 legally constituted within this state to perform a service function for a  
 24 public elementary and secondary school in school districts and other  
 25 political subdivisions of the state and to form a consortia of school  
 26 districts which are recognized by the General Assembly as administrative  
 27 agents for public elementary and secondary schools.

28 (b) This section intends to recognize the function of the education  
 29 service cooperatives and to provide eligibility to education service  
 30 cooperatives to receive state and federal funds upon written requests from  
 31 ~~the school~~ participating districts.

32

33 SECTION 25. TEMPORARY LANGUAGE – DO NOT CODIFY. By October 1, 2007,  
 34 the Department of Education, with the cooperation of public school districts  
 35 and education service cooperatives, shall propose rules for establishing the  
 36 uniform financial reporting system required by this act and present the

1 proposed rules to the House Interim Committee on Education and the Senate  
2 Interim Committee on Education for review.

3  
4 SECTION 26. TEMPORARY LANGUAGE – DO NOT CODIFY. By October 1, 2007,  
5 the Department of Education and Division of Legislative Audit shall study the  
6 implementation of GASB 34 as a standard for the education service cooperative  
7 audits required by this act and report the results of their study to the  
8 House Interim Committee on Education and the Senate Interim Committee on  
9 Education.

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