

1 STATE OF OKLAHOMA

2 1st Session of the 58th Legislature (2021)

3 HOUSE BILL 1590

By: Provenzano

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6 AS INTRODUCED

7 An Act relating to schools; amending Section 2,
8 Chapter 272, O.S.L. 2019 (70 O.S. Supp. 2020, Section
9 5-200), which relates to educational management
10 organizations; subjecting certain public funds to
reporting and auditing requirements and procedures;
authorizing financial, program or compliance audits;
and providing an effective date.

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13 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

14 SECTION 1. AMENDATORY Section 2, Chapter 272, O.S.L.
15 2019 (70 O.S. Supp. 2020, Section 5-200), is amended to read as
16 follows:

17 Section 5-200. A. As used in this section, "educational
18 management organization" means a for-profit or nonprofit
19 organization that receives public funds to provide administration
20 and management services for a charter school, statewide virtual
21 charter school or traditional public school.

22 B. A charter school that contracts with an educational
23 management organization shall use the Oklahoma Cost Accounting
24 System (OCAS) to report the total amount paid to an educational

1 management organization as well as itemized expenditure information
2 for the goods or services provided by the management organization as
3 defined by OCAS expenditure codes, including the total compensation
4 package of the superintendent including the base salary, insurance,
5 retirement and other fringe benefits.

6 C. Any public funds, including, but not limited to, State Aid
7 allocations, other state-appropriated revenue or other county or
8 local monies, paid to an educational management organization for
9 public school functions shall be subject to the same reporting
10 requirements, financial audits, audit procedures and audit
11 requirements as a school district. The State Department of
12 Education or State Auditor and Inspector may conduct financial,
13 program or compliance audits.

14 D. Any owner of an educational management organization shall be
15 required to disclose to the governing board of the school in a
16 public meeting any ownership position in any business that contracts
17 or proposes to contract with the same public school that the
18 educational management organization is managing.

19 ~~D.~~ E. Whenever any person shall enter into a contract with any
20 school district or public charter school in the state to teach in
21 such school district or public charter school the contract shall be
22 binding on the teacher and on the board of education until the
23 teacher legally has been discharged from the teaching position or
24 released by the board of education from the contract. Except as

1 provided in Section 5-106A of ~~Title 70 of the Oklahoma Statutes~~ this
2 title, until such teacher has been thus discharged or released, the
3 teacher shall not have authority to enter into a contract with any
4 other board of education in Oklahoma for the same time covered by
5 the original contract. If upon written complaint by the board of
6 education in a district any teacher is reported to have failed to
7 obey the terms of the contract previously made and to have entered
8 into a contract with another board of education, including a public
9 charter school board of education, without having been released from
10 the former contract except as provided in Section 5-106A of ~~Title 70~~
11 ~~of the Oklahoma Statutes~~ this title, the teacher, upon being found
12 to be employed full-time for another public school, including a
13 public charter school in the state, at a hearing held before the
14 State Board of Education, shall have such teacher's certificate
15 suspended for the remainder of the term for which the contract was
16 made.

17 SECTION 2. This act shall become effective November 1, 2021.

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