

**NOTICE OF INTENT**  
**BOARD OF ELEMENTARY AND SECONDARY EDUCATION**

Assignment of Chief Operating Officer  
(LAC 28:XLI.1503)

In accordance with the provisions of R.S. 17:6(A)(10) and the Administrative Procedure Act (APA), R.S. 49:953(B)(1) *et seq.*, the Board of Elementary and Secondary Education (BESE) proposes to amend LAC 28:XLI in *Bulletin 1929—Louisiana Accounting and Uniform Governmental Handbook*. The proposed amendments align BESE policy with legislation enacted by the 2024 Regular Legislative Session, adopting requirements for implementation of Act 368 regarding the assignment of a chief operating officer to assist a school system that is in noncompliance with the 70 percent instructional expenditure requirement of the MFP formula.

**Title 28**

**EDUCATION**

**Part XLI. Bulletin 1929—Louisiana Accounting and Uniform Governmental Handbook**

**Chapter 15. Expenditure Requirements**

**§1503. Assignment of Chief Operating Officer**

A. The state superintendent of education may provide for the assignment of a chief operating officer to any city, parish, or other local school system that fails for two consecutive years to comply with any minimum instructional expenditure requirement contained in the Minimum Foundation Program formula as adopted by BESE and approved by the legislature.

B. Services of a chief operating officer shall be obtained through a contract for a length of time as determined necessary by the superintendent. The officer shall not be a permanent employee of the LDOE and shall not receive a state salary or associated benefits.

C. The officer shall research the financial position and practices of the system including factors contributing to the noncompliance with the minimum expenditure requirement contained in the Minimum Foundation formula. The officer shall submit a written report of the findings and recommendations generated from the research to the local school board and the state superintendent of education. The findings and recommendations for the system shall be included in any report made to BESE relative to system compliance with the minimum expenditure requirement.

D. The local school board shall develop a plan for compliance based on the officer's recommendations and shall submit the plan to the state superintendent in accordance with the timelines set by LDOE. The plan is subject to approval of the superintendent prior to implementation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:6, R.S. 17:7, and 17:22.1.

HISTORICAL NOTE: Promulgated by the Board of Elementary and Secondary Education, LR 51:

**COMPARISON DOCUMENT**

**TITLE 28**

**EDUCATION**

**Part XLI. Bulletin 1929—Louisiana Accounting and Uniform Governmental Handbook**

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C. The officer shall research the financial position and practices of the system including factors contributing to the noncompliance with the minimum expenditure requirement contained in the Minimum Foundation formula. The officer shall submit a written report of the findings and recommendations generated from the research to the local school board and the state superintendent of education. The findings and recommendations for the system shall be included in any report made to BESE relative to system compliance with the minimum expenditure requirement.

D. The local school board shall develop a plan for compliance based on the officer's recommendations and shall submit the plan to the state superintendent in accordance with the timelines set by LDOE. The plan is subject to approval of the superintendent prior to implementation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:6, R.S. 17:7, and 17:22.1.

HISTORICAL NOTE: Promulgated by the Board of Elementary and Secondary Education, LR 51:


**BOARD OF ELEMENTARY AND SECONDARY EDUCATION  
FAMILY IMPACT STATEMENT  
(LA R.S. 49:953 and 972)**

**Person Preparing Statement:** Ashley Townsend  
**Phone:** 225.342.3446  
**Division:** Governmental, Administrative, and Public Affairs  
Part XLI Bulletin 1929—Louisiana Accounting and Uniform Governmental Handbook (LAC 28:XLI.1503)  
**Rule Title:** 28:XLI.1503

In accordance with Section 953 and 974 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a Family Impact Statement on the rule proposed for adoption, repeal or amendment. All Family Impact Statements shall be kept on file in the State Board Office which has adopted, amended, or repealed a rule in accordance with the applicable provisions of the law relating to public records.

PLEASE RESPOND (YES, NO, OR LACKS SUFFICIENT INFORMATION TO DETERMINE) TO THE FOLLOWING:

1. Will the proposed Rule affect the stability of the family? No
2. Will the proposed Rule affect the authority and rights of parents regarding the education and supervision of their children? No
3. Will the proposed Rule affect the functioning of the family? No
4. Will the proposed Rule affect family earnings and family budget? No
5. Will the proposed Rule affect the behavior and personal responsibility of children? No
6. Is the family or local government able to perform the function as contained in the proposed Rule? Yes

Signature of Contact Person:   
Date Submitted: 08/23/2024


**POVERTY IMPACT STATEMENT  
(LA R.S. 49:973)**

**Person Preparing Statement:** Ashley Townsend  
**Phone:** 225.342.3446  
**Division:** Governmental, Administrative, and Public Affairs  
Part XLI Bulletin 1929—Louisiana Accounting and Uniform Governmental Handbook (LAC 28:XLI.1503)  
**Rule Title:** 28:XLI.1503

In accordance with Section 973 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a Poverty Impact Statement on the rule proposed for adoption, amendment, or repeal. All Poverty Impact Statements shall be in writing and kept on file in the state agency which has adopted, amended, or repealed a rule in accordance with the applicable provisions of the law relating to public records. For the purposes of this Section, the word "poverty" means living at or below one hundred percent of the federal poverty line.

PLEASE RESPOND (YES, NO, OR LACKS SUFFICIENT INFORMATION TO DETERMINE) TO THE FOLLOWING:

1. Will the proposed Rule affect the household income, assets, and financial authority? No
2. Will the proposed Rule affect early childhood development and preschool through postsecondary education development? No
3. Will the proposed Rule affect employment and workforce development? No
4. Will the proposed Rule affect taxes and tax credits? No
5. Will the proposed Rule affect child and dependent care, housing, health care, nutrition, transportation, and utilities assistance? No

Signature of Contact Person:   
Date Submitted: 08/23/2024

#### **Small Business Statement**

The impact of the proposed Rule on small businesses as defined in the Regulatory Flexibility Act has been considered. It is estimated that the proposed action is not expected to have a significant adverse impact on small businesses. The agency, consistent with health, safety, environmental and economic welfare factors has considered and, where possible, utilized regulatory methods in the drafting of the proposed rule that will accomplish the objectives of applicable statutes while minimizing the adverse impact of the proposed rule on small businesses.

#### **Provider Impact Statement**

The proposed Rule should not have any known or foreseeable impact on providers as defined by HCR 170 of 2014 Regular Legislative Session. In particular, there should be no known or foreseeable effect on:

1. the effect on the staffing level requirements or qualifications required to provide the same level of service;
2. the total direct and indirect effect on the cost to the providers to provide the same level of service; or
3. the overall effect on the ability of the provider to provide the same level of service.

#### **Public Comments**

Interested persons may submit written comments via the U.S. Mail until noon, November 10, 2024, to Tavares Walker, Executive Director, Board of Elementary and Secondary Education, Box 94064, Capitol Station, Baton Rouge, LA 70804-9064. Written comments may also be hand delivered to Tavares Walker, Executive Director, Board of Elementary and Secondary Education, Suite 5-190, 1201 North Third Street, Baton Rouge, LA 70802 and must be date stamped by the BESE office on the date received. Public comments must be dated and include the original signature of the person submitting the comments.

**FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES**

<b>Person Preparing Statement:</b> Ashley Townsend <hr/> <b>Phone:</b> 225.342.3446 <hr/> <b>Return Address:</b> P.O. Box 94064 Baton Rouge, LA 70804 <hr/> <hr/>	<b>Department:</b> Louisiana Department of Education, Board of Elementary and Secondary Education <hr/> <b>Office:</b> Governmental, Administrative, and Public Affairs <hr/> Part XLI <i>Bulletin 1929—Louisiana Accounting and Uniform Governmental Handbook (LAC 28:XLI.1503)</i> <hr/> <b>Rule Title:</b> 28:XLI.1503 <hr/> <b>Date Rule Takes Effect:</b> Upon final adoption by BESE <hr/>	
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**SUMMARY**  
(Use complete sentences)

In accordance with Section 961 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a fiscal and economic impact statement on the rule proposed for adoption, repeal or amendment. THE FOLLOWING STATEMENTS SUMMARIZE ATTACHED WORKSHEETS, I THROUGH IV AND WILL BE PUBLISHED IN THE LOUISIANA REGISTER WITH THE PROPOSED AGENCY RULE.

**I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)**

The proposed rule change may result in implementation costs for the Department of Education (LDOE), but definitive costs are indeterminable at this time. The proposed rule change adopts requirements for implementation of Act 368 of the 2024 RS regarding the assignment of a chief operating officer to assist a school system that is in noncompliance with the 70% instructional expenditure requirement of the Minimum Foundation Program (MFP) formula. The extent to which such an officer will be assigned is unknown at this time. The work will be accomplished by individuals contracted for the assignment. Initial information provided an estimated cost associated with this work of up to \$150,000 annually. School systems will receive additional support in meeting the expenditure requirement, in the event a COO is assigned to it.

**II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)**

There is no anticipated effect on the revenue collections of state or local governmental units as a result of the proposed rule change.

**III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NON-GOVERNMENTAL GROUPS (Summary)**

There are no anticipated costs or benefits to directly affected persons, small businesses, or nongovernmental groups as a result of the proposed rule change.

**IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)**

The proposed rule change may result in the hiring of one or more contracted chief operating officers to assist school systems that are in noncompliance with instructional expenditure requirements of the MFP formula.

Beth Scioneaux  
Signature of Head or Designee  
Beth Scioneaux, Deputy Superintendent for Management and Finance  
Typed Name & Title of Agency Head or Designee  
10.8.24  
Date of Signature

Patrice Thomas, Deputy Fiscal Officer  
Legislative Fiscal Officer or Designee  
10/09/2024  
Date of Signature

**FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES**

The following information is required in order to assist the Legislative Fiscal Office in its review of the fiscal and economic impact statement and to assist the appropriate legislative oversight subcommittee in its deliberation on the proposed rule.

- A. Provide a brief summary of the content of the rule (if proposed for adoption, or repeal) or a brief summary of the change in the rule (if proposed for amendment). Attach a copy of the notice of intent and a copy of the rule proposed for initial adoption or repeal (or, in the case of a rule change, copies of both the current and proposed rules with amended portions indicated).

The proposed rule change amends LAC 28:XLI *Bulletin 1929—Louisiana Accounting and Uniform Governmental Handbook*. The change establishes the conditions and process by which the assignment of a chief operating officer may be contracted to assist a school system that is in noncompliance with the 70% instructional expenditure requirement of the MFP formula.

- B. Summarize the circumstances, which require this action. If the Action is required by federal regulation, attach a copy of the applicable regulation.

The proposed rule change is in response to Act 368 of the 2024 RS.

- C. Compliance with Act 11 of the 1986 First Extraordinary Session

- (1) Will the proposed rule change result in any increase in the expenditure of funds? If so, specify amount and source of funding.

No definitive implementation costs due to the proposed rule change are available at this time. The proposed rule change adopts requirements for implementation of Act 368 of the 2024 RS regarding the assignment of a chief operating officer to assist a school system that is in noncompliance with the 70% instructional expenditure requirement of the MFP formula. The extent to which such an officer will be assigned is unknown at this time. The work will be accomplished by individuals contracted for the assignment. Initial information provided with the Act 368 fiscal note estimated that costs associated with this work could reach \$150,000 annually. Funding will be requested in the future through the state budget request process.

- (2) If the answer to (1) above is yes, has the Legislature specifically appropriated the funds necessary for the associated expenditure increase?
- (a) \_\_\_\_\_ YES. If yes, attach documentation.
- (b) \_\_\_\_\_ NO. If no, provide justification as to why this rule change should be published at this time

**FISCAL AND ECONOMIC IMPACT STATEMENT  
WORKSHEET**

**I. A. COSTS OR SAVINGS TO STATE AGENCIES RESULTING FROM THE ACTION PROPOSED**

1. What is the anticipated increase (decrease) in costs to implement the proposed action?

<b>COSTS</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>
PERSONAL SERVICES	\$0	\$0	\$0
OPERATING EXPENSES	\$0	\$0	\$0
PROFESSIONAL SERVICES	See below	See below	See below
OTHER CHARGES	\$0	\$0	\$0
EQUIPMENT	\$0	\$0	\$0
MAJOR REPAIR & CONSTR.	\$0	\$0	\$0
<b>TOTAL</b>	<b>See Below</b>	<b>See Below</b>	<b>See Below</b>
<b>POSITIONS (#)</b>	<b>0</b>	<b>0</b>	<b>0</b>

2. Provide a narrative explanation of the costs or savings shown in "A. 1.", including the increase or reduction in workload or additional paperwork (number of new forms, additional documentation, etc.) anticipated as a result of the implementation of the proposed action. Describe all data, assumptions, and methods used in calculating these costs.

No definitive implementation costs due to the proposed rule change are available at this time. The proposed rule change adopts requirements for implementation of Act 368 of the 2024 RS regarding the assignment of a chief operating officer to assist a school system that is in noncompliance with the 70% instructional expenditure requirement of the MFP formula. The extent to which such an officer will be assigned is unknown at this time. The work will be accomplished by individuals contracted for the assignment. Initial information provided with the Act 368 fiscal note estimated that costs associated with this work could reach \$150,000 annually. Funding will be requested in the future through the state budget request process.

3. Sources of funding for implementing the proposed rule or rule change.

<b>SOURCE</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>
STATE GENERAL FUND	See Below	See Below	See Below
AGENCY SELF-GENERATED	\$0	\$0	\$0
DEDICATED	\$0	\$0	\$0
FEDERAL FUNDS	\$0	\$0	\$0
OTHER (Specify)	\$0	\$0	\$0
<b>TOTAL</b>	<b>See Below</b>	<b>See Below</b>	<b>See Below</b>

4. Does your agency currently have sufficient funds to implement the proposed action? If not, how and when do you anticipate obtaining such funds?

Not applicable at this time. Funding will be requested in the future through the state budget request process and is assumed at this time to be SGF.

**B. COST OR SAVINGS TO LOCAL GOVERNMENTAL UNITS RESULTING FROM THE ACTION PROPOSED.**

1. Provide an estimate of the anticipated impact of the proposed action on local governmental units, including adjustments in workload and paperwork requirements. Describe all data, assumptions and methods used in calculating this impact.

There are no anticipated impacts to local governmental units as a result of the proposed rule change. School systems will receive additional support in meeting the expenditure requirement.

2. Indicate the sources of funding of the local governmental unit, which will be affected by these costs or savings.

Not applicable.

**FISCAL AND ECONOMIC IMPACT STATEMENT  
WORKSHEET**

**II. EFFECT ON REVENUE COLLECTIONS OF STATE AND LOCAL GOVERNMENTAL UNITS**

A. What increase (decrease) in revenues can be anticipated from the proposed action?

There is no anticipated effect on the revenue collections of state and local governmental units as a result of the proposed rule change.

<u>REVENUE INCREASE/DECREASE</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>
STATE GENERAL FUND	\$0	\$0	\$0
AGENCY SELF-GENERATED	\$0	\$0	\$0
DEDICATED	\$0	\$0	\$0
FEDERAL FUNDS	\$0	\$0	\$0
LOCAL FUNDS	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*Specify the particular fund being impacted.

B. Provide a narrative explanation of each increase or decrease in revenues shown in "A." Describe all data, assumptions, and methods used in calculating these increases or decreases.

Not applicable.

**III. COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NONGOVERNMENTAL GROUPS**

A. What persons, small businesses, or non-governmental groups would be directly affected by the proposed action? For each, provide an estimate and a narrative description of any effect on costs, including workload adjustments and additional paperwork (number of new forms, additional documentation, etc.), they may have to incur as a result of the proposed action.

The proposed rule change will not result in costs or economic benefits to directly affected persons, small businesses, or nongovernmental groups. School systems will receive additional support in meeting the expenditure requirement.

B. Also provide an estimate and a narrative description of any impact on receipts and/or income resulting from this rule or rule change to these groups.

Not applicable.

**IV. EFFECTS ON COMPETITION AND EMPLOYMENT**

Identify and provide estimates of the impact of the proposed action on competition and employment in the public and private sectors. Include a summary of any data, assumptions and methods used in making these estimates.

The proposed rule change may result in the hiring of one or more contracted chief operating officers to assist school systems that are in noncompliance with instructional expenditure requirements of the MFP formula.

