

## Nebraska Educational Service Units Act

### 79-1201. Act, how cited.

Sections [79-1201](#) to [79-1249](#) shall be known and may be cited as the Educational Service Units Act.

**Source:**Laws 1996, LB 900, § 918; Laws 1998, LB 1110, § 1; Laws 1999, LB 386, § 2; Laws 2002, Second Spec. Sess., LB 5, § 2; Laws 2007, LB603, § 8.

### 79-1201.01. Terms, defined.

For purposes of the Educational Service Units Act and sections [79-1336](#) and [79-1337](#):

(1) Distance education course means a course with at least one student in any of grades kindergarten through twelve who is in a different location than the teacher and taught by a teacher employed by an educational entity utilizing either two-way interactive video or the Internet without two-way interactive video. Distance education course includes a dual-enrollment course with at least one student who is in a different location than the teacher and taught by a teacher employed by an educational entity utilizing either two-way interactive video or the Internet without two-way interactive video;

(2) Dual-enrollment course means a course taught to students for credit at both a high school and a postsecondary educational institution;

(3) Educational entity means a school district, a private, denominational, or parochial school, an educational service unit, a community college, a state college, the University of Nebraska, or a nonprofit private postsecondary educational institution;

(4) Elementary distance education course means a distance education course which is delivered utilizing two-way interactive video to students who are enrolled in any of grades kindergarten through eight;

(5) Network Nebraska means the network created pursuant to section [86-5,100](#);

(6) Qualified distance education course means a distance education course which meets any applicable rules and regulations of the State Department of

Education, is offered for one semester of high school credit or the equivalent, and for which all of the participating educational entities are required to have access to Network Nebraska;

(7) Technical training means training to equip educators with knowledge about the skills and tools necessary to infuse technological resources and software applications into the curriculum to be used in classrooms with and by students and includes, but is not limited to, computer workstation troubleshooting, distance education, educational software, Internet resources, local area network management, multimedia presentation tools, and strategic planning;

(8) Technology includes technical training and technology infrastructure;

(9) Technology infrastructure means hardware-related items necessary for schools to interact electronically throughout the state, including, but not limited to, physical connections, wiring, servers, routers, switches, domain name service, and operating systems and human resources necessary to maintain infrastructure, including, but not limited to, systems engineers, programmers, webmasters, and help desk staff; and

(10) Two-way interactive video distance education course means a distance education course in which a teacher delivers instruction to students in a different location than the teacher using two-way interactive video on at least two different days per week during the course.

**Source:**Laws 1999, LB 386, § 3; Laws 2007, LB603, § 9.

## **79-1202. Educational service units; name.**

The official name of each educational service unit shall be Educational Service Unit No. ... of the State of Nebraska, and the individual number of each unit shall be determined by the State Board of Education. For educational service units existing on January 1, 1998, the number of the unit shall remain the same. For educational service units created by merger, the number of the unit shall be the number of one of the educational service units dissolving into the new educational service unit. For all other newly created educational service units, the number shall be any number not otherwise assigned to an existing educational service unit.

**Source:**Laws 1965, c. 504, § 1, p. 1606; Laws 1969, c. 746, § 1, p. 2807; Laws 1984, LB 994, § 19; Laws 1987, LB 688, § 12; R.S.1943, (1994), § 79-2201; Laws 1996, LB 900, § 919; Laws

1997, LB 806, § 55; Laws 1998, Spec. Sess., LB 1, § 50; Laws 2001, LB 797, § 48; Laws 2008, LB1154, § 12.

#### **Annotations**

This article sustained as constitutional. *Frye v. Haas*, 182 Neb. 73, 152 N.W.2d 121 (1967).

#### **79-1203. Repealed. Laws 1998, Spec. Sess., LB 1, § 61.**

#### **79-1204. Role and mission.**

(1) The role and mission of the educational service units is to serve as educational service providers in the state's system of elementary and secondary education.

(2) Educational service units shall:

(a) Act primarily as service agencies in providing core services and services identified and requested by member school districts;

(b) Provide for economy, efficiency, and cost-effectiveness in the cooperative delivery of educational services;

(c) Provide educational services through leadership, research, and development in elementary and secondary education;

(d) Act in a cooperative and supportive role with the State Department of Education and school districts in development and implementation of long-range plans, strategies, and goals for the enhancement of educational opportunities in elementary and secondary education; and

(e) Serve, when appropriate and as funds become available, as a repository, clearinghouse, and administrator of federal, state, and private funds on behalf of school districts which choose to participate in special programs, projects, or grants in order to enhance the quality of education in Nebraska schools.

(3) Core services shall be provided by educational service units to all member school districts. Core services shall be defined by each educational service unit as follows:

(a) Core services shall be within the following service areas in order of priority:  
(i) Staff development which shall include access to staff development related to improving the achievement of students in poverty and students with diverse backgrounds; (ii) technology, including distance education services; and (iii) instructional materials services;

(b) Core services shall improve teaching and student learning by focusing on enhancing school improvement efforts, meeting statewide requirements, and achieving statewide goals in the state's system of elementary and secondary education;

(c) Core services shall provide schools with access to services that:

(i) The educational service unit and its member school districts have identified as necessary services;

(ii) Are difficult, if not impossible, for most individual school districts to effectively and efficiently provide with their own personnel and financial resources;

(iii) Can be efficiently provided by each educational service unit to its member school districts; and

(iv) Can be adequately funded to ensure that the service is provided equitably to the state's public school districts;

(d) Core services shall be designed so that the effectiveness and efficiency of the service can be evaluated on a statewide basis; and

(e) Core services shall be provided by the educational service unit in a manner that minimizes the costs of administration or service delivery to member school districts.

(4) Educational service units shall meet minimum accreditation standards set by the State Board of Education that will:

(a) Provide for accountability to taxpayers;

(b) Assure that educational service units are assisting and cooperating with school districts to provide for equitable and adequate educational opportunities statewide; and

(c) Assure a level of quality in educational programs and services provided to school districts by the educational service units.

(5) Educational service units may contract to provide services to:

(a) Nonmember public school districts;

(b) Nonpublic school systems;

(c) Other educational service units; and

(d) Other political subdivisions, under the Interlocal Cooperation Act and the Joint Public Agency Act.

(6) Educational service units shall not regulate school districts unless specifically provided pursuant to another section of law.

**Source:**Laws 1987, LB 688, § 1; R.S.1943, (1994), § 79-2201.02; Laws 1996, LB 900, § 921; Laws 1997, LB 806, § 57; Laws 1999, LB 87, § 89; Laws 2006, LB 1208, § 8; Laws 2007, LB641, § 34; Laws 2009, LB549, § 45.

#### **Cross References**

**Interlocal Cooperation Act,** see section [13-801](#).  
**Joint Public Agency Act,** see section [13-2501](#).

#### **79-1205. Annual adjustment to boundaries; State Board of Education; duties.**

On or before July 31, 2007, and on or before July 31 of each year thereafter, the State Board of Education shall adjust the boundaries of any educational service unit the boundaries of which do not align with the boundaries of the member school districts on July 1 of such year. Such boundary adjustments shall align the boundaries of the educational service unit with the boundaries of the member school districts as the boundaries of the member school districts existed on July 1 of such year. Such boundary adjustments shall be referred to the appropriate county and educational service unit officials, and such officials shall implement the adjustments and make the necessary changes in the educational service unit maps and tax records.

**Source:**Laws 2007, LB603, § 10.

**79-1206. Reorganization of educational service unit boundaries; legislative intent.**

The Legislature finds that from time to time there is a need to change the boundaries of educational service units in response to changes in student population and in student and school needs as well as changes in the taxable wealth and financial resources of the educational service units. It is the intent of the Legislature to establish an orderly process for locally initiated reorganization of educational service unit boundaries. The purpose of sections [79-1206](#) to [79-1211](#) is to establish the statutory framework for such process and to empower the State Board of Education to make changes in educational service unit boundaries based on statutory criteria.

**Source:**Laws 1987, LB 688, § 2; R.S.1943, (1994), § 79-2202.03; Laws 1996, LB 900, § 923.

**79-1207. Boundary change; initiated by petition.**

On and after January 1, 1989, petitions to the State Board of Education to change educational service unit boundaries may be initiated by a resolution adopted by a majority vote of any educational service unit board or any school board. In addition, such boards shall initiate a petition for reorganization upon the receipt of a petition signed by ten percent of the legal voters of such educational service unit or school district and certified by the county clerk or election commissioner.

**Source:**Laws 1987, LB 688, § 3; R.S.1943, (1994), § 79-2202.04; Laws 1996, LB 900, § 924; Laws 1997, LB 345, § 46.

**79-1208. Boundary change; petition; contents.**

Petitions to the State Board of Education to change educational service unit boundaries shall include a description of the proposed boundaries and shall be accompanied by a plan of reorganization which shall include (1) a summary of the reasons for the proposed reorganization, (2) a plan for the provision of services to school districts affected by any reorganization plan, (3) when a petition proposes the dissolution of an entire educational service unit or units for attachment to an existing educational service unit or for the merger of two or more educational service units into a new educational service unit, a summary of the terms on which such reorganization is made, including provision for the utilization of existing

facilities, equipment, and materials and provision for the disposition of assets and any unbonded indebtedness of affected educational service units, (4) when a petition deals with the attachment of new territory to an existing educational service unit, verification of approval by majority vote of the receiving educational service unit governing board, and (5) a plan for the establishment of new election districts as required under section [79-1217](#).

**Source:**Laws 1987, LB 688, § 4; Laws 1990, LB 486, § 2; R.S.1943, (1994), § 79-2202.05; Laws 1996, LB 900, § 925; Laws 2007, LB603, § 11.

### **79-1209. Boundaries; petition; changes authorized.**

A petition to reorganize educational service units may include the following:

(1) A transfer of a school district or districts from one established educational service unit to another established educational service unit;

(2) A withdrawal from an established educational service unit by two or more school districts to form a new educational service unit;

(3) An addition of a school district or districts which are not part of an educational service unit to an established or new educational service unit; and

(4) The dissolution of one or more entire educational service units for attachment to existing educational service units or the merger of two or more educational service units into a new educational service unit.

**Source:**Laws 1987, LB 688, § 5; R.S.1943, (1994), § 79-2202.06; Laws 1996, LB 900, § 926; Laws 1997, LB 806, § 58.

### **79-1210. State Board of Education; grant or deny petition; criteria.**

The State Board of Education shall grant or deny any petition to change educational service unit boundaries based upon the following criteria:

(1) The educational needs of students in the affected school districts and the affected educational service units;

(2) The economic viability of the proposal as it relates to affected established educational service units or affected proposed educational service units;

(3) Any community of interest among affected school districts and affected educational service units;

(4) Geographic proximity as such would affect the ability of affected educational service units to deliver service in a cost-effective manner;

(5) Compliance with the requirements of the Educational Service Units Act; and

(6) In the dissolution of one or more entire educational service units, evidence of consent from each educational service unit board and two-thirds of the school boards or boards of education of member school districts representing a majority of students in each affected educational service unit.

For petitions that change educational service unit boundaries by transferring a learning community member district from one educational service unit to another educational service unit with existing territory in such learning community, the requirements of subdivisions (1), (2), (3), and (4) of this section shall be deemed to have been met if the affected educational service units will each have at least two member school districts after such transfer.

**Source:**Laws 1987, LB 688, § 6; R.S.1943, (1994), § 79-2202.07; Laws 1996, LB 900, § 927; Laws 1997, LB 806, § 59; Laws 2008, LB1154, § 13.

### **79-1211. Petition; hearing; approval or rejection; effect.**

The State Board of Education, within ninety days after the receipt of any petition described in section [79-1208](#), shall hold a public hearing on the proposed reorganization plan. At the board's option, it may appoint a hearing officer to conduct the public hearing and issue a summary of the evidence presented. The board may also direct the appointed hearing officer to recommend a decision to the board, which recommendation shall not be binding on the board. Within one hundred twenty days after the receipt of such petition, the board shall approve or reject such petition. If the board rejects the petition, it shall clearly state its reasons for such rejection. Approved petitions for reorganization of educational service unit boundaries shall be referred to the appropriate county and educational service unit officials to implement the plan and to make the necessary changes in the educational service unit maps and tax records.

**Source:**Laws 1987, LB 688, § 7; Laws 1990, LB 486, § 3; R.S.1943, (1994), § 79-2202.08; Laws 1996, LB 900, § 928; Laws 2007, LB603, § 12.



### **79-1212. Reorganized units; board members.**

Members of boards of educational service units existing prior to approval of any plan of reorganization shall serve as board members of educational service units which are reorganized pursuant to sections [79-1206](#) to [79-1211](#) until the expiration of their original terms. Such persons shall be members of the board of the reorganized educational service unit in which they reside. Within thirty days after approval of any plan of reorganization by the State Board of Education, the president of the board of each educational service unit being reorganized shall call a meeting of board members of such educational service unit. At such meeting, members of each such board shall appoint one member from each election district to be created pursuant to the plan of reorganization not having representation on such board to serve until the next general election. The board shall take all necessary action to prepare for operation of the reorganized educational service unit following approval of any plan of reorganization by the State Board of Education. Expenses incurred by such board prior to such times shall be prorated between the counties comprising the educational service unit on the basis of the assessed valuation of such counties.

**Source:**Laws 1969, c. 746, § 3, p. 2810; Laws 1987, LB 688, § 18; R.S.1943, (1994), § 79-2203.02; Laws 1996, LB 900, § 929; Laws 1998, Spec. Sess., LB 1, § 51; Laws 2007, LB603, § 13; Laws 2009, LB549, § 46.

### **79-1213. Reorganized units; warrants; purpose; interest.**

The board of any reorganized educational service unit pursuant to sections [79-1206](#) to [79-1211](#) is authorized to issue warrants in an amount necessary for the following purposes: (1) To pay its expenses for a one-year period beginning one year after approval of any plan of reorganization by the State Board of Education; and (2) to finance the programs and services of the reorganized educational service unit beginning one year after the approval of any plan of reorganization by the State Board of Education until the distribution of the proceeds of its first tax levy less the amount of cash on hand and to be received during such period. Whenever any board of a reorganized educational service unit issues warrants, such board shall make a tax levy at the next tax-levying period sufficient to pay the same and the interest thereon. Such warrants shall bear interest at the rate of not more than six percent per annum and shall be recorded by the treasurer of the board and redeemed as provided in Chapter 77, article 22, and amendments thereto.

**Source:**Laws 1969, c. 746, § 4, p. 2811; Laws 1987, LB 688, § 19; R.S.1943, (1994), § 79-2203.03; Laws 1996, LB 900, § 930; Laws 1998, Spec. Sess., LB 1, § 52.

**79-1214. Repealed. Laws 1998, Spec. Sess., LB 1, § 61.**

**79-1215. Reorganized unit; adjusted tax list; contracts or leases; limitation; certificated employee; rights; transfer of records.**

(1) Within one year after the date of approval of any plan of reorganization, the county treasurer of each county shall adjust the tax list of the educational service unit in accordance with the changes in boundaries of the educational service units pursuant to sections [79-1206](#) to [79-1211](#) so that the uncollected taxes levied upon property that has been transferred to another educational service unit shall when collected be placed to the credit of the reorganized educational service unit to which the property is a part.

(2) The board of every existing educational service unit that is to become reorganized pursuant to sections [79-1206](#) to [79-1211](#) shall not employ any person for a term greater than one year. Any contract or lease made by such a governing body is hereby declared to be null and void if it extends for a period greater than one year unless validated by the board of the reorganized educational service unit. This subsection is not inconsistent with and does not negate any rights of any educational service unit certificated employees to continued employment pursuant to sections [79-846](#) to [79-849](#) and [79-1234](#) to [79-1239](#). The provisions of this subsection do not negate any previously negotiated collective-bargaining agreements between educational service unit certificated employees and the educational service unit covering a period of time greater than one year.

(3) Any certificated employee who, in the year immediately preceding a reorganization, has been employed one-half time or more by an educational service unit which is affected by an approved petition to change educational service unit boundaries shall, upon the effective date of the reorganization of the educational service unit boundaries pursuant to sections [79-1206](#) to [79-1211](#), have the option, for purposes of reduction in force, to be considered an employee of either the educational service unit at which he or she has been employed or of the educational service unit which will provide services to the affected school district. If such employee elects to be considered an employee of the educational service unit which will serve the affected school district, the employee shall not lose any right of seniority or tenure status after the transfer. If the certificated employee in

the year immediately preceding reorganization is assigned less than one-half time to a school district petitioning or a school district in an educational service unit petitioning for reorganization, then such certificated employee shall continue to be an employee of the educational service unit existing prior to reorganization.

(4) All official records of existing educational service units which are reorganized in whole or in part pursuant to sections [79-1206](#) to [79-1211](#) shall be transferred to the office of the Commissioner of Education for storage.

**Source:**Laws 1969, c. 746, § 6, p. 2812; Laws 1987, LB 688, § 21; R.S.1943, (1994), § 79-2204.01; Laws 1996, LB 900, § 932; Laws 1998, Spec. Sess., LB 1, § 53.

**79-1216. Repealed. Laws 1997, LB 806, § 69.**

**79-1217. Governing board; name; members; election; qualification; vacancy; expenses; membership.**

(1) All educational service units shall be governed by a board to be known as the Board of Educational Service Unit No. .... . Until the first Thursday after the first Tuesday in January 2009, the educational service unit board, except the board of an educational service unit with only one member school district, shall be composed of one member from each county and four members at large, all of whom shall reside within the geographical boundaries of the educational service unit, but no more than two of the members at large shall be appointed or elected from the same county unless any one county within the educational service unit has a population in excess of one hundred fifty thousand inhabitants or the educational service unit consists of only one county. Beginning on the first Thursday after the first Tuesday in January 2009, the educational service unit board, except the board of an educational service unit with only one member school district, shall be composed of one member elected to represent each election district established pursuant to section [79-1217.01](#). Successors to the members initially appointed pursuant to section [79-1212](#) shall be elected pursuant to section [32-515](#).

(2) Vacancies in office shall occur as set forth in section [32-560](#), except as otherwise provided in section [79-1212](#) regarding the requirement to live in the district represented, or in the case of absences, unless excused by a majority of the remaining members of the board, when a member is absent from the geographical boundaries of the educational service unit for a continuous period of sixty days at one time or from more than two consecutive regular meetings of the board. Whenever any vacancy occurs on the board, the remaining members of such board

shall appoint an individual residing within the election district of the educational service unit for which the vacancy exists and meeting the qualifications for the office to fill such vacancy for the balance of the unexpired term.

(3) Members of the board shall receive no compensation for their services but shall be reimbursed for the actual and necessary expenses incurred in the performance of their duties under the Educational Service Units Act as provided in sections [81-1174](#) to [81-1177](#).

(4) Except as provided in subsection (5) of this section, any joint school district located in two or more counties shall be considered a part of the educational service unit in which the greater number of school-age children of such joint school district reside.

(5) Any Class I district which is part of a Class VI district shall be considered a part of the educational service unit of which the Class VI district is a member. If the Class VI district has removed itself from an educational service unit, each Class I district which is part of such Class VI district may continue its existing membership in an educational service unit or may change its status relative to membership in an educational service unit in accordance with section [79-1209](#). The patrons of a Class I district maintaining membership in an educational service unit pursuant to this subsection shall have the same rights and privileges as other patrons of the educational service unit, and the taxable valuation of the taxable property within the geographic boundaries of such Class I district shall be subject to the educational service unit's tax levy established pursuant to section [79-1225](#).

(6) The administrator of each educational service unit, prior to July 1 of each year in which a statewide primary election is to be held, shall certify to the election commissioner or county clerk of each county located within the unit the corporate name of each school district, as described in section [79-405](#), located within the county. If a school district is a joint school district located in two or more counties, the administrator shall certify to each election commissioner or county clerk the educational service unit of which the school district is considered to be a part.

(7) An educational service unit may consist of a single school district if the single school district is either a Class IV or Class V school district. An educational service unit with only one member school district shall be governed by the school board of such school district and shall participate in one or more of the statewide projects managed by the Educational Service Unit Coordinating Council.

**Source:**Laws 1965, c. 504, § 3, p. 1608; Laws 1967, c. 560, § 1, p. 1844; Laws 1969, c. 747, § 2, p. 2818; Laws 1969, c. 746, § 8, p. 2814; Laws 1977, LB 201, § 17; Laws 1978, LB 632, § 10; Laws 1981, LB 204, § 163; Laws 1987, LB 688, § 16; Laws 1988, LB 1142, § 12; Laws 1991, LB 511, § 65; Laws 1992, LB 245, § 70; Laws 1992, LB 1063, § 200; Laws 1992, Second Spec. Sess., LB 1, § 171; Laws 1994, LB 76, § 607; R.S.1943, (1994), § 79-2203; Laws 1996, LB 900, § 934; Laws 1997, LB 345, § 47; Laws 1997, LB 347, § 47; Laws 2001, LB 797, § 49; Laws 2002, LB 647, § 2; Laws 2007, LB603, § 14; Laws 2010, LB965, § 2; Laws 2012, LB446, § 1.

### **79-1217.01. Educational service unit board; establish election districts.**

By December 31, 2007, and after each decennial census pursuant to section [32-553](#), each educational service unit board, except boards of educational service units with only one member school district, shall divide the territory of the educational service unit into at least five and up to twelve numbered districts for the purpose of electing members to the board in compliance with section [32-553](#). Such districts shall be compact and contiguous and substantially equal in population. The newly established election districts shall apply beginning with the nomination and election of educational service unit board members in 2008.

**Source:**Laws 2007, LB603, § 15.

### **79-1218. Board; meetings; organization; duties.**

The board of each educational service unit shall meet and organize by naming one of its members as president, one as vice president, and one as secretary. The board shall employ a treasurer who shall be paid a salary to be fixed by the board.

The board of the educational service unit shall determine the participation of the educational service unit in providing supplementary educational services. If the board of the educational service unit does not provide supplementary educational services, it shall meet during each succeeding January to determine the participation in providing supplementary educational services for that calendar year. Meetings may be held by means of videoconferencing or telephone conference in accordance with subsections (2) and (3) of section [84-1411](#).

**Source:**Laws 1965, c. 504, § 4, p. 1610; Laws 1969, c. 748, § 1, p. 2822; Laws 1969, c. 746, § 5, p. 2811; Laws 1987, LB 688, § 20; R.S.1943, (1994), § 79-2204; Laws 1996, LB 900, § 935; Laws 2009, LB361, § 1.

### **79-1219. Board; administrator; appointment; compensation; duties.**

Each board of an educational service unit deciding to provide supplementary services shall appoint and fix the compensation and duties of an administrator, who shall be a person experienced in public school administration and who shall hold at least a standard administrative certificate. With the advice of the administrator, the board shall also employ and fix the compensation and duties of such professional and clerical assistants as shall be necessary. No board member of an educational service unit shall be employed by the educational service unit board on which he or she is a board member.

**Source:**Laws 1965, c. 504, § 5, p. 1610; Laws 1987, LB 688, § 22; R.S.1943, (1994), § 79-2205; Laws 1996, LB 900, § 936.

### **79-1220. Board; offices; location.**

(1) The board shall determine the location within the educational service unit of its principal office and may, if necessary for the performance of its duties under the Educational Service Units Act, establish one or more other offices at such locations as it shall determine within the educational service unit. The board may acquire office space by purchase out of funds appropriated to it for educational purposes or may rent or lease such space as may be necessary. The board shall also acquire the personal property necessary for the performance of its duties.

(2) When due to boundary changes provided for in sections [79-1206](#) to [79-1211](#) the principal office of an educational service unit is no longer located within the boundaries of the educational service unit, then the affected educational service unit may maintain its principal office outside the boundaries of the unit.

**Source:**Laws 1965, c. 504, § 6, p. 1611; Laws 1987, LB 688, § 23; R.S.1943, (1994), § 79-2206; Laws 1996, LB 900, § 937.

### **79-1221. Treasurer; custodian of funds; duties; bond or insurance; conditions.**

The treasurer shall be the custodian of all funds of the board of the educational service unit. He or she shall attend meetings of the board, shall prepare and submit in writing a monthly report of the state of its finances, and shall pay out money of the board only upon a warrant signed by the president, or in his or her absence by the vice president, and countersigned by the secretary. The treasurer shall give

bond or evidence of equivalent insurance coverage, payable to the board, in such sum as the board shall determine conditioned for the faithful performance of the duties as treasurer of the board and for the safekeeping and proper disbursement of all funds of the board collected or received by him or her. Such bond shall be signed by a corporate surety company or insurance company authorized to do business within this state. Such bond or insurance coverage may be enlarged at any time the board deems such enlargement necessary or advisable. The cost of such bond or insurance coverage shall be paid out of funds of the board.

**Source:**Laws 1965, c. 504, § 7, p. 1611; Laws 1969, c. 748, § 2, p. 2822; R.S.1943, (1994), § 79-2207; Laws 1996, LB 900, § 938; Laws 2006, LB 860, § 1.

### **79-1222. Educational service unit; services; to whom provided; contracting for health services.**

When requested in writing by local school boards or boards of education, the board of each educational service unit may, at its discretion and within the limitations imposed by sections [79-1224](#) and [79-1225](#), (1) provide supplementary services to (a) the requesting school systems within its geographical area, (b) requesting school systems not within its geographical area to the extent allowed under the Educational Service Units Act, and (c) any other educational service unit, (2) plan and coordinate educational services within its geographical area whenever such services are offered on a cooperating basis between local school districts, and (3) contract for educational services with the board of any other educational service unit, any school district, any other educational agency, or any appropriate state or federal officer or agency, except that within that area of the service unit in which there exists an organized, full-time, approved city-county, multicounty, or regional health department with health services available, the educational service unit, if health services are provided, shall first seek to contract for school health services with such department for an amount of compensation agreeable to both such unit and board. The board of each educational service unit may charge for a portion or all of the costs of the additional services authorized by this section. If an educational service unit on December 25, 1969, has a health service facility, this section does not prevent the continued use by the unit of such facility. The educational service unit may contract with such health department to provide school health services for that area of the educational service unit not served by such city-county, multicounty, or regional health department.

**Source:**Laws 1965, c. 504, § 8, p. 1611; Laws 1969, c. 749, § 1, p. 2823; Laws 1969, c. 750, § 1, p. 2825; Laws 1972, LB 928, § 1; Laws 1979, LB 57, § 2; Laws 1987, LB 688, § 24; Laws 1994,

LB 1310, § 15; R.S.1943, (1994), § 79-2208; Laws 1996, LB 900, § 939; Laws 1997, LB 347, § 48.

**79-1223. Educational service units; real estate; personal property; services; purchase; lease; bids.**

In order to carry out the purposes provided in section [79-1204](#), educational service units may purchase, lease, or lease-purchase real estate, equipment, supplies, services, and personal property for their own use. Educational service units may, either individually or collectively, purchase, lease, lease-purchase, or act as purchase agent for administrative and instructional supplies, instructional equipment, instructional services, and personal property for resale only to educational entities. When an educational service unit advertises for bids for administrative or instructional supplies, instructional equipment, instructional services, and personal property, acceptance of any bid submitted to the educational service unit shall obligate the educational service unit to award the contract in accordance with the plans and specifications and in the quantities set forth in the bid documents.

**Source:**Laws 1971, LB 734, § 1; Laws 1979, LB 57, § 1; Laws 1987, LB 688, § 13; R.S.1943, (1994), § 79-2201.01; Laws 1996, LB 900, § 940; Laws 2006, LB 1208, § 9; Laws 2007, LB603, § 21.

**79-1224. Governing board; funds; state, county, or federal; use; tax; levy; matching of funds.**

The board of each educational service unit may receive, for the purpose for which made available, any school district, county, state, or federal funds made available to it, or funds or property received from any other source, and may use tax revenue from the levy of the educational service unit for operational expenses and for the purpose of matching any funds that may be made available to it on a matching basis by any state or federal agency. The board of each educational service unit may utilize such personnel or services that may lawfully be offered by any state or federal agency or governmental unit.

**Source:**Laws 1965, c. 504, § 9, p. 1612; Laws 1972, LB 928, § 2; R.S.1943, (1994), § 79-2209; Laws 1996, LB 900, § 941.



**79-1225. Governing board; tax; levy; limitation; exception; proceeds; when remitted.**

(1) After the adoption of its budget statement, the board for each educational service unit, except as provided in subsection (2) of this section, may levy a tax in the amount which it requires under its adopted budget statement to be received from taxation. The levy shall be subject to the limits established by section [77-3442](#). The amount of such levy shall be certified by the secretary of the educational service unit board to the county board of equalization of each county in which any part of the geographical area of the educational service unit is located on or before September 20 of each year. Such tax shall be levied and assessed in the same manner as other property taxes and entered on the books of the county treasurer. The proceeds of such tax, as collected, shall be remitted to the treasurer of the board on or before the fifteenth day of each month or more frequently as provided in section [77-1759](#).

(2) For fiscal year 2013-14 and each fiscal year thereafter, only an educational service unit which has four or more member school districts or an educational service unit composed of a single Class IV or Class V school district may levy a tax on the taxable value of the taxable property within the geographic boundaries of the educational service unit.

**Source:**Laws 1965, c. 504, § 10, p. 1612; Laws 1969, c. 145, § 47, p. 700; Laws 1969, c. 746, § 7, p. 2813; Laws 1977, LB 391, § 2; Laws 1979, LB 178, § 2; Laws 1979, LB 187, § 248; Laws 1980, LB 599, § 15; Laws 1992, LB 1063, § 201; Laws 1992, Second Spec. Sess., LB 1, § 172; Laws 1993, LB 348, § 50; Laws 1993, LB 452, § 3; Laws 1993, LB 734, § 53; Laws 1995, LB 452, § 34; R.S.Supp.,1995, § 79-2210; Laws 1996, LB 900, § 942; Laws 1996, LB 1114, § 67; Laws 1999, LB 141, § 14; Laws 1999, LB 287, § 3; Laws 1999, LB 386, § 4; Laws 2008, LB1154, § 14; Laws 2012, LB446, § 2.

**Annotations**

Tax is authorized by this section to be levied for educational service units by the board, and is constitutional. *Frye v. Haas*, 182 Neb. 73, 152 N.W.2d 121 (1967).

**79-1226. Governing board; budget; prepare; contents.**

The board of each educational service unit, prior to the levying of any tax as provided by law, shall prepare a budget for the operation and maintenance of the educational service unit for the ensuing year. This budget shall itemize the contemplated expenditures and the expected revenue from taxation received by the

educational service unit, from available federal, state, and county sources, from contractual revenue from school districts, and from all other agencies and sources.

**Source:**Laws 1969, c. 700, § 1, p. 2699; Laws 1972, LB 928, § 3; R.S.1943, (1994), § 79-2210.01; Laws 1996, LB 900, § 943.

#### **Cross References**

**Budget requirements**, see section [13-517](#).

#### **79-1227. Budget; publication required.**

A summary of the prepared yearly budget of an educational service unit shall be published one time in a legal newspaper published in or of general circulation in each county in the unit at least five days before a meeting at which such budget shall be considered for adoption by the board. Such publication shall also specify the date, time, and place of the public hearing at which the budget will be considered and any tax levy made.

**Source:**Laws 1969, c. 700, § 2, p. 2699; Laws 1990, LB 1090, § 38; R.S.1943, (1994), § 79-2210.02; Laws 1996, LB 900, § 944.

#### **79-1228. Board; report of yearly activities; publication and distribution required.**

The board of an educational service unit shall cause to be published by November 1 of each year a brief report of the yearly activities of the board. The report shall include the amount of revenue received and expenditures itemized by categories. This publication shall be for one time in a newspaper of general circulation distributed in each county in the educational service unit. A copy of the report shall be distributed to each member school district by November 1 of each year.

**Source:**Laws 1969, c. 700, § 3, p. 2699; Laws 1990, LB 1090, § 39; R.S.1943, (1994), § 79-2210.03; Laws 1996, LB 900, § 945.

#### **79-1229. Annual financial report; contents; annual audit required; cost.**

(1) On or before January 31 of each year, the administrator of each educational service unit shall submit to the Commissioner of Education a report described as

the annual financial report showing (a) the amount of money received from all sources during the year and the amount of money expended by the educational service unit during the year, (b) other information as necessary to fulfill the requirements of section [79-1241.03](#), and (c) such other information as the commissioner directs.

(2) The board of each educational service unit shall cause a complete and comprehensive annual audit to be made of the books, accounts, records, and affairs of the educational service unit. The audits shall be conducted annually, except that the Auditor of Public Accounts may determine an audit of less frequency to be appropriate but not less than once in any three-year period. The board of each educational service unit may contract with the Auditor of Public Accounts or select a licensed public accountant or certified public accountant or firm of such accountants to conduct the audit and shall be responsible for the cost of the audit pursuant to the contract. Such audit shall be conducted in the same manner as audits of county officers. The original copy of the audit shall be filed in the office of the Auditor of Public Accounts.

**Source:**Laws 1969, c. 700, § 4, p. 2699; Laws 1985, Second Spec. Sess., LB 29, § 4; Laws 1987, LB 183, § 5; R.S.1943, (1994), § 79-2210.04; Laws 1996, LB 900, § 946; Laws 2008, LB988, § 51.

### **79-1230. Sections; supplemental to other law.**

Sections [79-1202](#) to [79-1230](#) shall be supplemental to any other law and shall not affect the reorganization of school districts as provided in the Reorganization of School Districts Act.

**Source:**Laws 1965, c. 504, § 12, p. 1612; Laws 1991, LB 511, § 66; Laws 1992, LB 245, § 71; R.S.1943, (1994), § 79-2212; Laws 1996, LB 900, § 947.

#### **Cross References**

**Reorganization of School Districts Act**, see section [79-432](#).

### **79-1231. Special education; payment; to whom.**

When special education is provided by an educational service unit for children with disabilities as defined in section [79-1118.01](#), the payments provided by sections [79-1126](#) to [79-1144](#) shall be made to such educational service unit.

**Source:**Laws 1967, c. 517, § 1, p. 1737; Laws 1986, LB 1177, § 38; Laws 1987, LB 367, § 72; R.S.1943, (1994), § 79-2213; Laws 1996, LB 900, § 948; Laws 1997, LB 346, § 58.

### **79-1232. Educational service unit; insurance coverage; authorized.**

The board of any educational service unit may permit its members to participate in the educational service unit's hospitalization, medical, surgical, accident, sickness, or term life insurance coverage or any one or more of such coverages. A board member electing to participate in the insurance program of the educational service unit shall pay both the employee and the employer portions of the premium for such coverage.

An educational service unit board which opts to permit its members to participate in insurance coverage under this section shall report quarterly at a board meeting the board members who have elected such coverage. Such a report shall be made available in the educational service unit office for review by the public upon request.

**Source:**Laws 1972, LB 1177, § 4; R.S.1943, (1994), § 79-2214; Laws 1996, LB 900, § 949; Laws 2008, LB850, § 3.

### **79-1233. Access to telecomputing resources; powers and duties.**

Each educational service unit shall provide access for all school districts within the geographical area served by the unit to telecomputing resources, which shall include the capacity to receive and transmit distance education courses on at least a regional basis beginning on or before August 1, 2007, through the installation of necessary equipment at each educational service unit location or through interlocal agreements with other educational service units and shall provide support for training users to meet their specific telecomputing and distance education needs. School districts may annually elect prior to a date determined by the educational service unit not to connect to such telecomputing resources. Each educational service unit shall also develop, with the State Department of Education, a plan which provides for connecting the telecomputing and distance education equipment of such school districts with the telecomputing and distance education equipment of the unit.

Educational service units may enter into agreements pursuant to the Interlocal Cooperation Act and the Joint Public Agency Act to carry out this section. Such

agreements may include, but need not be limited to, provisions requiring any school district having telecomputing or distance education equipment connected to the educational service unit's telecomputing or distance education equipment to pay periodic fees necessary to cover the cost of such usage.

**Source:**Laws 1993, LB 348, § 49; Laws 1993, LB 452, § 2; Laws 1995, LB 860, § 3; R.S.Supp.,1995, § 79-2225; Laws 1996, LB 900, § 950; Laws 1999, LB 87, § 90; Laws 1999, LB 141, § 15; Laws 1999, LB 386, § 5; Laws 2006, LB 1208, § 10; Laws 2007, LB603, § 22; Laws 2010, LB1071, § 27.

#### **Cross References**

**Interlocal Cooperation Act,** see section [13-801](#).  
**Joint Public Agency Act,** see section [13-2501](#).

#### **79-1234. Tenure; terms, defined.**

For purposes of sections [79-1234](#) to [79-1239](#), unless the context otherwise requires:

- (1) Board means the governing board of any educational service unit;
- (2) Certificated employee means any teacher, nurse, or other person required to have a certificate from the State Department of Education who is employed by an educational service unit;
- (3) Just cause means incompetency, neglect of duty, unprofessional conduct, insubordination, immorality, physical or mental incapacity, or other conduct which interferes substantially with the continued performance of duties or a change in circumstances such as financial exigency or a diminution of demand for services by the school districts served by the educational service unit necessitating a reduction in the number of teachers or nurses to be employed by the board;
- (4) Permanent certificated employee means a certificated employee (a) who has served under a contract with the educational service unit for at least three successive years under any contract which was entered into to create initial employment on or after September 1, 1986, or (b) who was initially employed by the educational service unit prior to September 1, 1986; and
- (5) Probationary certificated employee means a certificated employee who has served under a contract with the educational service unit for less than three

successive years under any contract which was entered into to create initial employment on or after September 1, 1986.

**Source:**Laws 1986, LB 997, § 1; R.S.1943, (1994), § 79-2216; Laws 1996, LB 900, § 951.

### **79-1235. Tenure; contract of certificated employee; how treated.**

The contract of a certificated employee shall be deemed renewed and remain in full force and effect unless amended, terminated, or not renewed in accordance with sections [79-1234](#) to [79-1239](#).

**Source:**Laws 1986, LB 997, § 2; R.S.1943, (1994), § 79-2217; Laws 1996, LB 900, § 952.

### **79-1236. Tenure; certificated employee; contract amendment, termination, or nonrenewal; procedure; confidentiality.**

(1) Any certificated employee whose contract of employment may be amended, terminated, or not renewed for the following school year shall be notified in writing on or before April 15 of each year of such possible action on the contract. If the certificated employee wishes a hearing, a written request shall be sent to the secretary of the board or the administrator of the educational service unit within seven calendar days after receipt of the written notice. If a hearing on such amendment, termination, or nonrenewal is not requested within the time provided in this section, the board shall make a final determination. With regard to all hearings under sections [79-1234](#) to [79-1239](#), the certificated employee shall be advised in writing at least five days prior to the hearing of the date, time, and place of the hearing. All such hearings shall be held within thirty days after the date of the request for the hearing, except when the parties or their representatives, by a mutual agreement confirmed in writing, extend the time for hearings or final determinations by the board under such sections. Unless continued by written agreement between the parties or their representatives, final action by the board shall be taken on or before May 15 of each year.

(2) Prior to the hearing or action on the matter, if requested by the certificated employee, the notice of possible amendment, termination, or nonrenewal and the supporting reasons shall be considered a confidential employment matter as provided in sections [79-539](#), [79-8,109](#), and [84-1410](#) and shall not be released to the public or news media.

**Source:**Laws 1986, LB 997, § 3; R.S.1943, (1994), § 79-2218; Laws 1996, LB 900, § 953.

**79-1237. Tenure; board; subpoena powers.**

The board may on its own behalf, or shall upon the request of the certificated employee, his or her representative, or the educational service unit's administration, (1) subpoena and compel the attendance of witnesses residing within or outside this state for the purpose of appearing and testifying at any hearing provided for in sections [79-1234](#) to [79-1239](#) and for the purpose of taking the deposition of such witnesses in the manner prescribed by law for the taking of depositions in civil actions in the district courts and (2) issue subpoenas for the production of any papers, books, accounts, and documents.

**Source:**Laws 1986, LB 997, § 4; R.S.1943, (1994), § 79-2219; Laws 1996, LB 900, § 954.

**79-1238. Tenure; probationary certificated employee; amendment or nonrenewal of contract; grounds; procedures.**

(1) Upon request by the probationary certificated employee as provided in subsection (1) of section [79-1236](#), notice shall be provided which shall contain written reasons for the proposed amendment or nonrenewal of the probationary certificated employee's contract and shall be sufficiently specific so as to provide such employee the opportunity to prepare a response. The reasons set forth in the notice shall be employment related.

(2) The board may elect to amend or not renew the contract of a probationary certificated employee for any reason it deems sufficient if such nonrenewal or amendment is employment related and such nonrenewal or amendment is not for constitutionally impermissible reasons. Such nonrenewal or amendment shall be in accordance with sections [79-1234](#) to [79-1239](#). Amendment or nonrenewal for reasons of reduction in force shall be in accordance with the procedures provided in sections [79-846](#) to [79-849](#) and [79-1234](#) to [79-1239](#).

(3) At any time prior to the holding of a hearing or prior to final determination by the board to amend or not renew the contract involved, the probationary certificated employee may submit a letter of resignation for the ensuing school year, which resignation shall be accepted by the board.

(4) The hearing, if requested, involving the question of the nonrenewal or amendment of a probationary certificated employee's contract shall not be a formal due process hearing but shall be an informal hearing before the board at which the probationary certificated employee involved or his or her representative shall be afforded the opportunity to discuss and explain to the board his or her position with regard to continued employment, to present information, and to ask questions of those appearing on behalf of the administration of the educational service unit. Such hearing shall be in closed session at the request of the probationary certificated employee involved or his or her representative and upon affirmative vote of the majority of the board members present and voting, but the formal action of the board for nonrenewal or amendment shall be in open session.

(5) The hearing for a probationary certificated employee may be held before a committee of the board consisting of not less than three of the board's total members, and total membership of the committee shall be odd numbered. Notice of such hearing shall be sent to all board members five days prior to such hearing. If a hearing is held before a committee, the majority opinion of the committee shall constitute a recommendation to the board, with the final determination being made by a majority vote of the members of the board without additional hearing.

**Source:**Laws 1986, LB 997, § 5; R.S.1943, (1994), § 79-2220; Laws 1996, LB 900, § 955.

**79-1239. Tenure; permanent certificated employee; amendment or termination of contract; grounds; procedures.**

(1) The board by a vote of the majority of its members may determine that a permanent certificated employee's contract shall be amended or terminated for any of the following reasons: (a) Just cause as defined in section [79-1234](#); (b) reduction in force as set forth in sections [79-846](#) to [79-849](#); (c) a change of leave-of-absence policy; (d) failure of the permanent certificated employee upon written request of the board or the administrators of the educational service unit to accept employment for the next school year within the time designated in the request, except that the permanent certificated employee shall not be required to signify such acceptance prior to March 15 of each year; or (e) revocation or suspension of the permanent certificated employee's certificate by the State Board of Education.

(2) If a hearing is requested by the permanent certificated employee, the formal due process hearing for the purpose of this section means a hearing procedure adopted by the board which contains at least the following: (a) Notification to the



permanent certificated employee in writing at least five days prior to the hearing of the grounds alleged for the termination or amendment of the permanent certificated employee's contract; (b) upon request of the permanent certificated employee, a list of the names of any witnesses who will be called to testify against the certificated employee and an opportunity to examine any documents that will be presented at the hearing shall be provided at least five days prior to the hearing; (c) the right to be represented; and (d) an opportunity to cross-examine all witnesses, examine all documents, and present evidence material to the issues.

(3) Notice of the hearing shall be given in accordance with the Open Meetings Act. Upon an affirmative vote of a majority of the board's members present and voting and upon specific request of the permanent certificated employee or the permanent certificated employee's representative, the hearing shall be conducted in a closed session, but the formal action of the board shall be taken in open session.

(4) A majority of the members of the board shall render its decision to amend or terminate a permanent certificated employee's contract based solely upon the evidence produced at the hearing, shall reduce its findings and determination to writing, and shall deliver a written copy of the findings and determination to the permanent certificated employee.

**Source:**Laws 1986, LB 997, § 6; R.S.1943, (1994), § 79-2221; Laws 1996, LB 900, § 956; Laws 2003, LB 685, § 24; Laws 2004, LB 821, § 30.

#### **Cross References**

**Open Meetings Act**, see section [84-1407](#).

**79-1240. Repealed. Laws 1999, LB 5, § 1.**

**79-1241. Repealed. Laws 2009, LB 549, § 53.**

**79-1241.01. Core services; appropriation; legislative intent.**

To carry out section [79-1241.03](#), it is the intent of the Legislature to appropriate for each fiscal year the amount appropriated in the prior year increased by the percentage growth in the fall membership of member districts plus the basic allowable growth rate described in section [79-1025](#). For purposes of this section, fall membership has the same meaning as in section [79-1003](#). Fall membership data used to compute growth shall be from the two most recently available fall membership reports.

**Source:**Laws 1998, LB 1110, § 3; Laws 1999, LB 386, § 6; Laws 2006, LB 1208, § 11; Laws 2007, LB603, § 25; Laws 2009, LB549, § 47; Laws 2010, LB1071, § 28.

**79-1241.02. Repealed. Laws 2010, LB 1071, § 48.**

**79-1241.03. Distribution of funds; certification by department to educational service unit and learning community; distribution.**

(1) Two percent of the funds appropriated for core services and technology infrastructure shall be transferred to the Educational Service Unit Coordinating Council. The remainder of such funds shall be distributed pursuant to subsections (2) through (6) of this section.

(2)(a) The distance education and telecommunications allowance for each educational service unit shall equal eighty-five percent of the difference of the costs for telecommunications services, for access to data transmission networks that transmit data to and from the educational service unit, and for the transmission of data on such networks paid by the educational service unit as reported on the annual financial report for the most recently available complete data year minus the receipts from the federal Universal Service Fund pursuant to 47 U.S.C. 254, as such section existed on January 1, 2007, for the educational service unit as reported on the annual financial report for the most recently available complete data year and minus any receipts from school districts or other educational entities for payment of such costs as reported on the annual financial report of the educational service unit.

(b) The base allocation of each educational service unit shall equal two and one-half percent of the funds appropriated for distribution pursuant to this section.

(c) The satellite office allocation for each educational service unit shall equal one percent of the funds appropriated for distribution pursuant to this section for each office of the educational service unit, except the educational service unit headquarters, up to the maximum number of satellite offices. The maximum number of satellite offices used for the calculation of the satellite office allocation for any educational service unit shall equal the difference of the ratio of the number of square miles within the boundaries of the educational service unit divided by four thousand minus one with the result rounded to the closest whole number.

(d) The statewide adjusted valuation shall equal the total adjusted valuation for all member districts of educational service units pursuant to section [79-1016](#) used for the calculation of state aid for school districts pursuant to the Tax Equity and Educational Opportunities Support Act for the school fiscal year for which the distribution is being calculated pursuant to this section.

(e) The adjusted valuation for each educational service unit shall equal the total adjusted valuation of the member school districts pursuant to section [79-1016](#) used for the calculation of state aid for school districts pursuant to the act for the school fiscal year for which the distribution is being calculated pursuant to this section, except that such adjusted valuation for member school districts that are also member districts of a learning community shall be reduced by fifty percent for school fiscal years 2008-09 and 2009-10, thirty percent for school fiscal year 2010-11, and ten percent for each school fiscal year thereafter. The adjusted valuation for each learning community shall equal fifty percent, for school fiscal years 2008-09 and 2009-10, thirty percent, for school fiscal year 2010-11, and ten percent, for each school fiscal year thereafter, of the total adjusted valuation of the member school districts pursuant to section [79-1016](#) used for the calculation of state aid for school districts pursuant to the act for the school fiscal year for which the distribution is being calculated pursuant to this section.

(f) The local effort rate shall equal \$0.0135 per one hundred dollars of adjusted valuation.

(g) The statewide student allocation shall equal the difference of the sum of the amount appropriated for distribution pursuant to this section plus the product of the statewide adjusted valuation multiplied by the local effort rate minus the distance education and telecommunications allowance, base allocation, and satellite office allocation for all educational service units and minus any adjustments required by subsection (5) of this section.

(h) The sparsity adjustment for each educational service unit and learning community shall equal the sum of one plus one-tenth of the ratio of the square miles within the boundaries of the educational service unit divided by the fall membership of the member school districts for the school fiscal year immediately preceding the school fiscal year for which the distribution is being calculated pursuant to this section.

(i) The adjusted students for each multidistrict educational service unit shall equal the fall membership for the school fiscal year immediately preceding the

school fiscal year for which aid is being calculated of the member school districts that will not be members of a learning community and ninety percent of the fall membership for such school fiscal year of the member school districts that will be members of a learning community pursuant to this section multiplied by the sparsity adjustment for the educational service unit. The adjusted students for each single-district educational service unit shall equal ninety-five percent of the fall membership for the school fiscal year immediately preceding the school fiscal year for which aid is being calculated if the member school district will not be a member of a learning community and eighty-five percent of the fall membership for such school fiscal year if the member school district will be a member of a learning community pursuant to this section, multiplied by the sparsity adjustment for the educational service unit. The adjusted students for each learning community shall equal ten percent of the fall membership for such school fiscal year of the member school districts multiplied by the sparsity adjustment for the learning community.

(j) The per student allocation shall equal the statewide student allocation divided by the total adjusted students for all educational service units and learning communities.

(k) The student allocation for each educational service unit and learning community shall equal the per student allocation multiplied by the adjusted students for the educational service unit or learning community.

(l) The needs for each educational service unit shall equal the sum of the distance education and telecommunications allowance, base allocation, satellite office allocation, and student allocation for the educational service unit and the needs for each learning community shall equal the student allocation for the learning community.

(m) The distribution of core services and technology infrastructure funds for each educational service unit and learning community shall equal the needs for each educational service unit or learning community minus the product of the adjusted valuation for the educational service unit or learning community multiplied by the local effort rate.

(3) If an educational service unit is the result of a merger or received new member school districts from another educational service unit, the educational service unit shall be considered a new educational service unit for purposes of this section. For each new educational service unit, the needs minus the distance

education and telecommunications allowance for such new educational service unit shall, for each of the three fiscal years following the fiscal year in which the merger takes place or the new member school districts are received, equal an amount not less than the needs minus the distance education and telecommunications allowance for the portions of the educational service units transferred to the new educational service unit for the fiscal year immediately preceding the merger or receipt of new member school districts, except that if the total amount available to be distributed pursuant to subsections (2) through (6) of this section for the year for which needs are being calculated is less than the total amount distributed pursuant to such subsections for the fiscal year immediately preceding the merger or receipt of new member school districts, the minimum needs minus the distance education and telecommunications allowance for each educational service unit pursuant to this subsection shall be reduced by a percentage equal to the ratio of such difference divided by the total amount distributed pursuant to subsections (2) through (6) of this section for the fiscal year immediately preceding the merger or receipt of new member school districts. The needs minus the distance education and telecommunications allowance for the portions of educational service units transferred to the new educational service unit for the fiscal year immediately preceding a merger or receipt of new member school districts shall equal the needs minus the distance education and telecommunications allowance calculated for such fiscal year pursuant to subsections (2) through (6) of this section for any educational service unit affected by the merger or the transfer of school districts multiplied by a ratio equal to the valuation that was transferred to the new educational service unit for which the minimum is being calculated divided by the total valuation of the educational service unit transferring the territory.

(4) For fiscal years 2010-11 through 2013-14, each educational service unit shall have needs minus the distance education and telecommunications allowance equal to an amount not less than ninety-five percent of the needs minus the distance education and telecommunications allowance for the immediately preceding fiscal year, except that if the total amount available to be distributed pursuant to subsections (2) through (6) of this section for the year for which needs are being calculated is less than the total amount distributed pursuant to such subsections for the immediately preceding fiscal year, the minimum needs minus the distance education and telecommunications allowance for each educational service unit pursuant to this subsection shall be reduced by a percentage equal to the ratio of such difference divided by the total amount distributed pursuant to subsections (2) through (6) of this section.

(5) If the minimum needs minus the distance education and telecommunications allowance pursuant to subsection (3) or (4) of this section for any educational service unit exceeds the amount that would otherwise be calculated for such educational service unit pursuant to subsection (2) of this section, the statewide student allocation shall be reduced such that the total amount to be distributed pursuant to this section equals the appropriation for core services and technology infrastructure funds and no educational service unit has needs minus the distance education and telecommunications allowance less than the greater of any minimum amounts calculated for such educational service unit pursuant to subsections (3) and (4) of this section.

(6) The State Department of Education shall certify the distribution of core services and technology infrastructure funds pursuant to subsections (2) through (6) of this section to each educational service unit and learning community on or before July 1 of each year for the following school fiscal year. Except as otherwise provided in this subsection, any funds appropriated for distribution pursuant to this section shall be distributed in ten as nearly as possible equal payments on the first business day of each month beginning in September of each school fiscal year and ending in June. Funds to be distributed to a learning community in school fiscal year 2010-11 shall be distributed in ten payments on the first business day of each month beginning in September 2010 and ending in June 2011, with each of the first five payments equal as nearly as possible to seventeen percent of the amount to be distributed and with each of the last five payments equal as nearly as possible to three percent of the amount to be distributed. Funds distributed to educational service units pursuant to this section shall be used for core services and technology infrastructure with the approval of representatives of two-thirds of the member school districts of the educational service unit, representing a majority of the adjusted students in the member school districts used in calculations pursuant to this section for such funds. The valuation of individual school districts shall not be considered in the utilization of such core services or technology infrastructure funds by member school districts for funds received after July 1, 2010. Funds distributed to learning communities on or before January 15, 2011, shall be used for learning community purposes with the approval of the learning community coordinating council. Funds distributed to learning communities after January 15, 2011, shall be used for evaluation and research pursuant to section [79-2104.02](#) with the approval of the learning community coordinating council.

(7) For purposes of this section, the determination of whether or not a school district will be a member of an educational service unit or a learning community

shall be based on the information available May 1 for the following school fiscal year.

(8) It is the intent of the Legislature that:

(a) Funding for core services and technology infrastructure for each educational service unit consist of both amounts received pursuant to this section and an amount greater than or equal to the product of the adjusted valuation for the educational service unit multiplied by the local effort rate; and

(b) Each multidistrict educational service unit use an amount equal to at least five percent of such funding for core services and technology infrastructure for cooperative projects between member school districts and that each such educational service unit use an amount equal to at least five percent of such funding for core services and technology infrastructure for statewide projects managed by the Educational Service Unit Coordinating Council.

**Source:**Laws 2007, LB603, § 24; Laws 2008, LB1154, § 15; Laws 2009, LB549, § 48; Laws 2010, LB1070, § 11; Laws 2012, LB446, § 3.

#### **Cross References**

**Tax Equity and Educational Opportunities Support Act**, see section [79-1001](#).

#### **79-1242. Property tax funds; use.**

Funds generated from the property tax levy shall only be used for purposes approved by representatives of two-thirds of the member school districts in an educational service unit, representing a majority of the students in the member school districts. The valuation of individual school districts shall not be the only consideration in determining the utilization of such funds received after July 1, 2010. Each educational service unit shall prepare and transmit a written proposal of core services offerings and use of the property tax levy to all member school districts. The member school districts through their designated representatives shall indicate their approval or disapproval of the proposal within thirty calendar days after receipt of the proposal, and failure to so indicate within such time period shall be deemed approval of the proposal.

**Source:**Laws 1997, LB 806, § 62; Laws 1999, LB 363, § 1; Laws 2010, LB1070, § 12; Laws 2012, LB446, § 4.

**79-1243. Repealed. Laws 2010, LB 1071, § 48.**

**79-1244. Power to borrow money; conditions; authorization to accept loans from state or federal government.**

(1)(a) Any educational service unit may borrow money to the amount of seventy percent of the unexpended balance of total anticipated receipts of the general fund for the current fiscal year and the following fiscal year. Total anticipated receipts of the general fund for the current fiscal year and the following fiscal year means a sum equal to the total of (i) the anticipated receipts from the current existing levy multiplied by two, (ii) the anticipated receipts from the state for core services and technology infrastructure for the current fiscal year and the following fiscal year, (iii) the anticipated receipts from the United States for the current fiscal year and the following fiscal year, and (iv) the anticipated receipts from other sources for the current fiscal year and the following fiscal year.

(b) Any educational service unit may execute and deliver in evidence thereof its promissory notes which it is hereby authorized and empowered to make and negotiate, bearing a rate of interest set by the educational service unit board and maturing not more than two fiscal years from the date thereof. Such notes, before they are negotiated, shall be presented to the treasurer of the educational service unit and registered by him or her and shall be payable out of the funds collected by such educational service unit in the order of their registry after the payment of prior registered warrants but prior to the payment of any warrant subsequently registered, except that if both warrants and notes are registered, the total of such registered notes and warrants shall not exceed one hundred percent of the unexpended balance of the total anticipated receipts of the general fund of such educational service unit for the current fiscal year and the following fiscal year. For the purpose of making such calculation, such total anticipated receipts shall not include any anticipated receipts against which the educational service unit has borrowed and issued notes pursuant to this section in either the current or the immediately preceding fiscal year.

(2) In addition to the authority granted by subsection (1) of this section, any educational service unit may accept interest-free or low-interest loans from the state or federal government and may execute and deliver in evidence thereof its promissory notes maturing not more than twenty years from the date of execution.

(3) In addition to the authority granted by subsections (1) and (2) of this section, any educational service unit may enter into loan agreements for the purpose of



borrowing money from financial institutions, including banks, in amounts not in excess of seventy percent of the unexpended balance of its current existing levy. As evidence of such borrowing, an educational service unit may execute and deliver one or more written loan agreements but shall not be required to execute and deliver separate promissory notes for each borrowing under such agreements. Money borrowed pursuant to such agreements shall bear interest at such rate or rates and shall become due and be repaid as provided in such agreements. Any such agreement shall provide for repayment in full at least once each fiscal year and shall be for a term not exceeding one fiscal year. Any such agreement shall be registered upon books kept by the treasurer of the educational service unit, and money borrowed pursuant to such agreement shall be paid out of funds collected upon the current existing levy prior to the payment of any warrant or note registered subsequent to any such loan agreement. If an educational service unit has any such loan agreement or agreements outstanding and has warrants or notes registered, as described in subsection (1) of this section, the total amount (a) of borrowings pursuant to such loan agreement or agreements and (b) of registered notes and warrants shall not exceed one hundred percent of the unexpended balance of the current existing levy.

(4) Nothing in this section shall be construed to exempt an educational service unit from the terms and conditions contained in sections [10-701](#) to [10-716](#).

**Source:**Laws 2002, Second Spec. Sess., LB 5, § 1.

**79-1245. Educational Service Unit Coordinating Council; created; composition; funding; powers.**

(1) The Educational Service Unit Coordinating Council is created as of July 1, 2008. On such date the assets and liabilities of the Distance Education Council shall be transferred to the Educational Service Unit Coordinating Council. The council shall be composed of one administrator from each educational service unit. The council shall be funded from two percent of the core services and technology infrastructure funding appropriated pursuant to section [79-1241.03](#), appropriations by the Legislature for distance education, and fees established for services provided to educational entities.

(2) The council is a political subdivision and a public body corporate and politic of this state, exercising public powers separate from the participating educational service units. The council shall have the duties, privileges, immunities, rights,

liabilities, and disabilities of a political subdivision and a public body corporate and politic but shall not have taxing power.

(3) The council shall have power (a) to sue and be sued, (b) to have a seal and alter the same at will or to dispense with the necessity thereof, (c) to make and execute contracts and other instruments, (d) to receive, hold, and use money and real and personal property, (e) to hire and compensate employees, including certificated employees, (f) to act as a fiscal agent for statewide initiatives being implemented by employees of one or more educational service units, and (g) from time to time, to make, amend, and repeal bylaws, rules, and regulations not inconsistent with sections [79-1245](#) to [79-1249](#). Such power shall only be used as necessary or convenient to carry out and effectuate the powers and purposes of the council.

**Source:**Laws 2007, LB603, § 16; Laws 2010, LB1071, § 29.

**79-1246. Educational Service Unit Coordinating Council; duties; Open Meetings Act applicable.**

(1) The Educational Service Unit Coordinating Council shall work toward statewide coordination to provide the most cost-effective services for the students, teachers, and school districts in each educational service unit. The council's duties include, but are not limited to:

(a) Preparation of strategic plans to assure the cost-efficient and equitable delivery of services across the state;

(b) Administration of statewide initiatives and provision of statewide services;  
and

(c) Coordination of distance education.

(2) All activities conducted by the council shall be conducted in accordance with the Open Meetings Act. This section does not require or provide for state control of the operations of any educational service unit or abridge the governance ability, rights, or responsibilities of any educational service unit board.

**Source:**Laws 2007, LB603, § 17.

## Cross References

**Open Meetings Act**, see section [84-1407](#).

### **79-1247. Educational Service Unit Coordinating Council; appoint distance education director; council director authorized; salaries; expenses; duties; contract authorized; other appointments authorized.**

The Educational Service Unit Coordinating Council shall appoint a distance education director and may appoint a council director, both of whom shall hold office at the pleasure of the council. The council director and the distance education director shall receive such salaries as the council determines and shall be reimbursed for their actual expenses incurred in the performance of their duties. The council may contract with individual educational service units for the employment of the council director or the distance education director, except that the supervisory responsibilities for such employees shall remain with the council.

The council director and the distance education director shall perform duties as the council directs and shall not be members of the council. The council may also appoint or retain such other persons as it may deem necessary for the performance of its functions and shall prescribe their duties, fix their compensation, and provide for reimbursement of their actual and necessary expenses within the amounts available in the budget of the council.

**Source:**Laws 2007, LB603, § 18; Laws 2010, LB1071, § 30.

### **79-1248. Educational Service Unit Coordinating Council; powers and duties.**

The powers and duties of the Educational Service Unit Coordinating Council include, but are not limited to:

- (1) Providing public access to lists of qualified distance education courses;
- (2) Collecting and providing school schedules for participating educational entities;
- (3) Facilitation of scheduling for qualified distance education courses;
- (4) Brokering of qualified distance education courses to be purchased by educational entities;

(5) Assessment of distance education needs and evaluation of distance education services;

(6) Compliance with technical standards as set forth by the Nebraska Information Technology Commission and academic standards as set forth by the State Department of Education related to distance education;

(7) Establishment of a system for scheduling courses brokered by the council and for choosing receiving educational entities when the demand for a course exceeds the capacity as determined by either the technology available or the course provider;

(8) Administration of learning management systems, either through the staff of the council or by delegation to an appropriate educational entity, with the funding for such systems provided by participating educational entities; and

(9) Coordination with educational service units and postsecondary educational institutions to provide assistance for instructional design for both two-way interactive video distance education courses and the offering of graduate credit courses in distance education.

**Source:**Laws 2006, LB 1208, § 20; R.S.Supp.,2006, § 79-1334; Laws 2007, LB603, § 19; Laws 2010, LB1071, § 31.

#### **79-1249. Educational Service Unit Coordinating Council; assistance provided.**

The Educational Service Unit Coordinating Council shall only provide assistance in brokering or scheduling courses to educational entities that have access to Network Nebraska. All costs to the council associated with assisting private, denominational, or parochial schools and private postsecondary educational institutions shall be paid by such private, denominational, or parochial school or private postsecondary educational institution. Any services of the council may also be offered to other public entities with access to Network Nebraska on a contractual basis.

**Source:**Laws 2006, LB 1208, § 21; R.S.Supp.,2006, § 79-1335; Laws 2007, LB603, § 20; Laws 2010, LB1071, § 32.