

157.627 Requirements for issuance -- Accounting procedure.

In connection with each bond issue of the commission as defined in KRS 157.615(3), it shall be the duty of the commission:

- (1) To require the district board of education to insure the project to its full insurable value, or to the amount of the bonds outstanding from time to time, whichever is the less, against the hazards covered by the standard fire insurance policy with standard endorsement of "extended coverage," and to require that a copy of each policy be delivered to the commission for inspection and for its records;
- (2) To require periodic accounting from all depositories of funds, the same to be submitted on forms prepared and supplied by the commission;
- (3) To furnish to the certified public accountant auditing the district, summary identification and description of each issue, and to request that the financial records of the board of education relating thereto be audited as a part of the annual audit of the board of education, and that a separate statement or report thereof be filed with the commission;
- (4) To send to each board of education at least thirty (30) days before the due date of any rental payment a notice of the amount of rental to become due and the date thereof, and to require acknowledgment thereof; and
- (5) To receive from the board of education, satisfactory evidence that sufficient funds have been transmitted to the commission or its agent, or will be so transmitted, in the event of the board's failure to pay debt service and administrative costs when due, as provided in the lease, to notify and request that the department withhold from the board of education a sufficient portion of any undisbursed funds then held or set aside or allocated to it, and to request that the department transfer the required amount thereof to the commission for the account of the board of education.

Effective: July 13, 1990

History: Repealed and reenacted 1990 Ky. Acts ch. 476, Pt. V, sec. 385, effective July 13, 1990. -- Amended 1988 Ky. Acts ch. 213, sec. 4, effective July 15, 1988. -- Created 1985 (1st Extra. Sess.) Ky. Acts ch. 10, sec. 32, effective October 18, 1985.