



Steven L. Beshear
Governor

Terry Holliday, Ph.D.
Commissioner of Education

**EDUCATION AND WORKFORCE DEVELOPMENT CABINET
DEPARTMENT OF EDUCATION**

Capital Plaza Tower • 500 Mero Street • Frankfort, Kentucky 40601
Phone: (502) 564-4770 • www.education.ky.gov

SENT BY ELECTRONIC MAIL WITH A HARDCOPY BY REGULAR MAIL

November 21, 2012

Board Chair Shirley Hudson
Breathitt County School District
4030 Hwy. 30 East
Jackson, KY 41357

Interim Superintendent Larry Woods
Breathitt County School District
420 Court Street
P.O. Box 750
Jackson, KY 41339

RE: Management Audit of Breathitt County School District

Dear Board Chair Hudson:

As you are aware, the Kentucky Department of Education (KDE) has been conducting a management audit of Breathitt County school district, pursuant to KRS 158.780, KRS 158.785 and 703 KAR 3:205.

This management audit has concluded. A copy of the final report is attached.

Based upon the findings outlined in this report, it is clear that a pattern of a significant lack of efficiency and effectiveness in the governance and administration of the school district exists in all areas, and the district lacks the necessary capacity to develop and implement systemic changes on its own. Therefore, state management is necessary to correct such concerns. Accordingly, in my official capacity as the chief state school officer, I will be recommending to the Kentucky Board of Education (KBE) that the Breathitt County school district be designated as a "state managed" district.

Please note that, pursuant to KRS 158.785(7)(a), if the KBE designates a district as "state managed", all administrative, operational, financial, personnel and instructional aspects of the management of the school district formerly exercised by the local school board and the superintendent shall be exercised by the chief state school officer or his designee.

In addition, pursuant to KRS 158.785(8), the local district shall continue to be designated as "state managed" until the KBE determines that the pattern of ineffective and inefficient governance or administration and the specific deficiencies identified by the management audit have been corrected. This designation shall not be longer than three years unless the KBE extends the time after a complete review of a new management audit.



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Pursuant to KRS 158.785(4) and 702 KAR 3:205, Section 4, the Breathitt County Board of Education has the right to request a public hearing before the KBE before a final designation of "state managed" is adopted. The local board may also waive the right to this public hearing.

I am requesting that the Breathitt County Board of Education respond to me by 4:30 p.m. EST on November 30, 2012, on whether it requests a public hearing or waives this right. Please complete the statement of action found on page 3 of this letter and e-mail a signed, scanned copy to my attention at Terry.Holliday@education.ky.gov.

In the event a public hearing is requested, one will be scheduled with at least 20 days advance notice of the date of the hearing in accordance with KRS 13B.050. In the event that the right to a public hearing is waived, I will bring this item before the KBE at its regularly scheduled meeting on December 5, 2012, for adoption.

Please keep in mind that a decision by the local board to either request or waive a hearing is considered a formal action by the local board and requires an official board meeting. In addition, any special or emergency board meeting scheduled to make this decision must be conducted in accordance with Kentucky's open meetings law (KRS 61.823).

Thank you in advance for a prompt response. I do not make this important recommendation lightly; however, it is absolutely critical and necessary in order to meet the educational needs of the children in Breathitt County.

If you have any questions, Associate Commissioner Susan Allred may be reached at 502-564-5130 and Associate Commissioner Hiren Desai may be reached at 502-564-1976.

Sincerely,



Terry Holliday, Ph.D.

Cc: Bobby Gross, Breathitt County Board Member, 4339 Canoe Road, Jackson, KY 41339
Ruschelle Hamilton, Breathitt County Board Member, 10 Chestnut Drive, Jackson, KY 41339
Ina Southworth, Breathitt County Board Member, Hwy. 476, Box 252, Clayhole, KY 41317
Albert Little, Breathitt County Board Member, Hwy. 1933, Box 4681, KY 41339
KDE Associate Commissioners

Attachments

STATEMENT OF ACTION BY THE BREATHITT COUNTY BOARD OF EDUCATION

WAIVE RIGHT TO A HEARING:

The Breathitt Board of Education hereby acknowledges receipt of the Commissioner's recommendation to declare the district "state managed". The Breathitt Board of Education states that it accepts the Commissioner's recommendation and waives its right to a hearing before the Kentucky Board of Education in accordance with KRS 158.780, KRS 158.785 and 703 KAR 3:205.

Board Chair, on behalf of the
Breathitt County Board of Education

Date

REQUEST RIGHT TO A HEARING:

The Breathitt Board of Education hereby acknowledges receipt of the Commissioner's recommendation to declare the district "state managed". The Breathitt Board of Education states that it does not accept the Commissioner's recommendation and requests a hearing to be conducted in compliance with KRS Chapter 13B before the Kentucky Board of Education in accordance with KRS 158.780, KRS 158.785 and 703 KAR 3:205.

Board Chair, on behalf of the
Breathitt County Board of Education

Date