

Matthew G. Bevin  
Governor



Derrick Ramsey, Secretary  
Education and Workforce  
Development Cabinet

Wayne D. Lewis, Ph.D.  
Interim Commissioner of Education

**KENTUCKY DEPARTMENT OF EDUCATION**

300 Sower Boulevard • Frankfort, Kentucky 40601  
Phone: (502) 564-3141 • [www.education.ky.gov](http://www.education.ky.gov)

August 3, 2018

Mr. Hal Heiner, Chair  
Kentucky Board of Education  
300 Sower Boulevard, 5<sup>th</sup> Floor  
Frankfort, KY 40601

**RE: Management Audit of Breathitt County**

Dear Chair Heiner:

On December 5, 2012, the Kentucky Board of Education (KBE) approved Breathitt County Schools as being designated a state managed district. In May 2014, the Kentucky Department of Education (KDE) sent a management audit team to the district to conduct a second management audit. The purpose of the audit was to provide information and make recommendations to the commissioner and, ultimately, the KBE on whether state management should be terminated or extended for a period of time in accordance with KRS 158.785(8). After completion of the second comprehensive management audit in October 2014, the KBE determined that Breathitt County Schools would continue to be designated as a state managed district. The district has been in state management since that time.

In accordance with KRS 158.785 as well as with KRS 158.780 and 703 KAR 3:205, KDE began conducting another management audit of Breathitt County Schools in November 2017. This management audit is now complete, and the Management Audit Report is attached for your reference. The purpose of the audit is to provide information and make recommendations to the commissioner and, ultimately, the KBE on whether state management should be terminated or extended for a period of time in accordance with KRS 158.785(8).

Based upon the findings outlined in the Management Audit Report, I have determined that a pattern of a significant lack of efficiency and effectiveness in the governance and administration of Breathitt County Schools exists and continues to exist. Further, the evidence collected during the management audit establishes that state management is necessary to correct the inefficiencies and ineffectiveness within Breathitt County Schools. Accordingly, in my official capacity as the chief state school officer, it is my recommendation to the KBE that Breathitt County Schools continue to be designated a state managed district.

Hal Heiner, Chair of the Kentucky Board of Education  
August 3, 2018  
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Pursuant to KRS 158.780, KRS 158.785 and 703 KAR 3:205, the Breathitt County Board of Education has the right to a hearing on the matter before the KBE. In the event a hearing is requested, the hearing will be open to the public and the procedures established in KRS Chapter 13B will apply. In accordance with KRS 13B.050(1), notice of the hearing will be provided to the parties not less than 20 days in advance of the date set for the hearing.

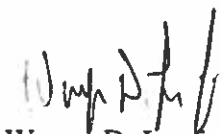
In the alternative and pursuant to 703 KAR 3:205, Section 3(4), the Breathitt County Board of Education may choose to agree with my recommendation of state management and waive the right to participate in the hearing before the KBE. If that is the case, I will place my recommendation before the KBE at an upcoming special or regular meeting, and the KBE will vote whether to approve the recommendation of state management.

A response from the Breathitt County Board of Education declaring whether it is requesting or, alternatively, waiving a hearing is due on or before September 3, 2018. After receipt of the decision from the Breathitt County Board of Education, a scheduling order will be issued for the hearing or, if the hearing is waived, for the date of review by the KBE.

I am encouraged by the improvements that have occurred in Breathitt County Schools since it was first designated a state managed district in 2012; however, I believe the evidence shows that the pattern of ineffective and inefficient governance or administration and the specific deficiencies determined by the management audit have not yet been corrected. For this reason, Breathitt County Schools should continue to be designated as a state managed district in accordance with KRS 158.785(8).

Thank you for your consideration of this important matter. If you have any questions, please feel free to contact me.

Sincerely,



Wayne D. Lewis, Ph.D.  
Interim Commissioner of Education

Enclosures

c: Kentucky Board of Education Members  
Kentucky Department of Education Planning Committee Members