KENTUCKY DEPARTMENT OF EDUCATION

STAFF NOTE

Action/Discussion Item:

Designation of Breathitt County Schools as a state managed district.

Commissioner's Recommendation:

The Interim Commissioner recommends that the Kentucky Board of Education (KBE) approve his recommendation to continue designating the Breathitt County School District as a state managed district.

Rationale:

Based upon the findings of a management audit conducted by the Kentucky Department of Education (KDE), the Interim Commissioner has 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.

Applicable Statute or Regulation:

KRS 158.780, KRS 158.785 and 703 KAR 3:205

Action Question:

Should the Kentucky Board of Education (KBE) approve the recommendation by the Interim Commissioner to continue designating Breathitt County Schools a state managed district?

History/Background:

Existing Policy: KRS 158.780 and 158.785 require the KBE to establish a program for management improvement services for school districts that demonstrate such a critical lack of efficiency or effectiveness in governance or administration that state mandated corrective action or state control of the district is required. 703 KAR 3:205 establishes the management improvement program and describes the management audit process.

Summary: Beginning in November 2017, a KDE management audit team conducted a comprehensive management audit of Breathitt County Schools. The audit team conducted 217 interviews with Central Office staff and school staff.

On August 3, 2018, the Commissioner notified the Breathitt County Board of Education in writing that, based upon the findings of a management audit, he was recommending the state board continue to designate Breathitt County Schools a state managed district.

Budget Impact: There is an ongoing fiscal impact on KDE based upon the assignment of personnel and resources from the Office of Continuous Improvement and Support to support state managed districts. Resources also are assigned from the Office of Finance and Operations on an as needed basis. The estimated budget impact to KDE for staffing related costs in state managed districts is approximately \$1.5 million annually.

Groups Consulted and Brief Summary of Responses:

On August 28, 2018, the Breathitt County Board of Education voted in a public meeting to accept and not contest the recommendation that the district be designated a state managed district.

Contact Person:

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Interim Commissioner of Education

Date:

September 2018

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