

KENTUCKY DEPARTMENT OF EDUCATION STAFF NOTE

Topic: Kentucky Department of Education (KDE) Lease Agreements

Date: October 4, 2018

Action Requested: ☒ Review ☐ Action/Consent ☐ Action/Discussion

SUMMARY OF ISSUE BEFORE THE BOARD:

To review current Kentucky Department of Education (KDE) lease agreements with the Kentucky Board of Education.

APPLICABLE STATUTE OR REGULATION:

KRS 156.029(7) and KRS 156.010

BACKGROUND:

Existing Policy: The Kentucky Department of Education has the following leases for real property:

Location	Purpose	Sq. Ft.	\$ per sq. ft	Amount
Sower	KDE Frankfort based staff	115,047	\$16.24	\$1,868,363.28
Hazard	1 staff - regional ATC support	2,820	\$3.19	\$9,000.00
Madisonville	1 staff - regional ATC support	1,352	\$7.00	\$9,464.00
Hudson Hollow	School and Community Nutrition	20,526	\$9.60	\$197,040.00
KHEAA	EPSB/Educator Licensure and Effectiveness	15,637	\$12.10	\$189,207.00
Warsaw	storage - CTE	1,374	\$3.50	\$4,809.00

\$2,277,883.28

Source: Kentucky Department of Education, Office of Finance and Operations, 9/26/2018

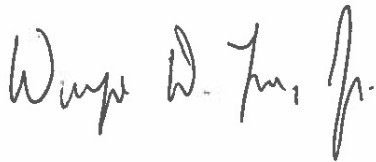
Summary of Issue: To provide the KBE with a review of KDE leases of real property. KDE leases the Sower space from the Kentucky Finance Cabinet. The building houses the majority of department staff. The department's School and Community Nutrition Division is located at the Hudson Hollow location. That division is funded through federal United States Department of Agriculture funds. The Education Professional Standards Board/Educator Licensure and Effectiveness group is located in the state owned KHEAA building. It is anticipated that this office will be relocated to the Sower Building before the end of this fiscal year. The ATC support staff are sited in Hazard and Madisonville. These employees provide regional support to state

operated Area Technology Centers. The department leases storage space at a facility on Warsaw Street in Frankfort, KY on behalf of the Career and Technical Education Office.

Budget Impact: The annual budget impact is \$2,277,838.28.

CONTACT PERSON(S):

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Interim Commissioner of Education

Category:	<input type="checkbox"/> District Innovation	<input type="checkbox"/> Strengthening Educators	<input type="checkbox"/> Family/Community Involvement
	<input type="checkbox"/> Student/Family Supports	<input type="checkbox"/> Student Interventions	<input type="checkbox"/> Coursework Completion <input checked="" type="checkbox"/> Accountability Reporting