

**KENTUCKY DEPARTMENT OF EDUCATION STAFF NOTE**

**Topic:** Commissioner’s Recommendations following the Management Audit of Jefferson County Public Schools  
**Date:** December 2020  
**Action Requested:**  Review     Action/Consent     Action/Discussion  
**Held In:**  Full Board     Curriculum, Instruction and Assessment     Operations

**SUMMARY OF ISSUE BEFORE THE BOARD:**

To review and receive an update on the commissioner’s position following the management audit (audit) of Jefferson County Public Schools (JCPS).

**APPLICABLE STATUTE OR REGULATION:**

KRS 158.780, KRS 158.785 and 703 KAR 3:205

**BACKGROUND:**

*Existing Policy:*

KRS 158.780 requires the Kentucky Board of Education (KBE) to “establish a program for...involuntary supervision...of a local school district” and says, if a “pattern of a lack of efficiency or effectiveness in the governance or administration of a school district” exists, the KBE “shall declare the district a ‘state assisted district’ or a ‘state managed district’ and the state board shall then assume control of the district as set forth in this section and KRS 158.785.” KRS 158.785(3) provides that “[i]f a management audit . . . indicates that there is a pattern of a significant lack of efficiency and effectiveness in the governance or administration of a school district, the chief state school officer shall recommend the district to the Kentucky Board of Education either as a ‘state assisted district’ or a ‘state managed district.’” Finally, 703 KAR 3:205, Section 3(2)-(3) indicate that if the commissioner recommends state management or state assistance, such a recommendation shall be placed before the KBE; whereas, if a recommendation is not made, the Kentucky Department of Education (KDE) shall convey the report to the school district for its use and information.

On September 21, 2020, a management audit team appointed by the KDE initiated a management audit of JCPS pursuant to the terms of the August 28, 2018 Settlement Agreement and in accordance with KRS 158.780, KRS 158.785 and 703 KAR 3:205. The Settlement Agreement also provided that JCPS would implement corrective action at least until a new audit was finalized.

*Summary of Issue:*

Between September 21, 2020 and October 9, 2020, the management audit team virtually conducted 1,588 interviews with various JCPS stakeholders, including but not limited to school board members, school-based decision making (SBDM) council members, district and school

administrators, certified and classified staff. The management audit team reviewed district data, documents and the corrective action plan throughout the process.

On November 20, 2020, the commissioner notified the Jefferson County Board of Education in writing that evidence collected during the audit establishes that neither state management nor state assistance is necessary at this time to correct any inefficiencies and ineffectiveness within the district. The Settlement Agreement referenced herein between the KDE and Jefferson County Board of Education should be considered fulfilled and JCPS should be released from further implementation of formal corrective action implemented pursuant to the Settlement Agreement.

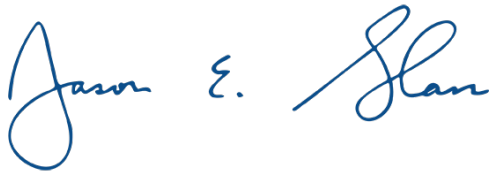
*Budget Impact:*

Since the settlement agreement was entered on August 28, 2018, there has an ongoing fiscal impact to the KDE, based upon the assignment of personnel and resources from across the department, to assist with the development, implementation and monitoring of the JCPS corrective action plan.

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**Commissioner of Education**

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